IT Consultants Ltd.

ANNUAL REPORT 2017-2018



Secured Financial Technology

www.itcbd.com

IT Consultants Ltd.

Annual Report

of

Information Technology Consultants Limited

2017-18





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Letter of Transmittal

MAR STOCK

Established in 2000, IT Consultants Limited (ITCL--owns payment processing consortium, which is popularly known as 'Q-Cash') is the local leader in the rapidly evolving arena of Electronic Payment & Transaction Processing System. The Company has converted to Public Limited Company under The Registrar of Joint Stock Companies and Firms (RJSC) in 2008.

ITC Limited provides to major Banks, Financial Institutions, Government organizations and retailers with an advanced infrastructure for Transaction Processing Services while operating one of the largest Bank driven independent ATM network in Bangladesh.

OBJECTIVE OF ITCL

ITC Limited has become one of our nation's leading IT products and services firms. Our "customer first" philosophy ensures that we provide our clients with "the best IT services and solutions" possible to optimize their business performance and meet operational goals. We provide new and emerging technologies and leading edge solutions consistently delivering best-of-the-best industry programs and practices. Our foundation of success is built upon our commitment to our customers and the many talented professionals that we employ.

We continually invest in the development of our team members and provide a supportive environment in which they can work closely with clients and have a direct impact on their mission-critical programs. Fostering strong partnerships with our clients and employees has become an integral part of our success. At ITCL, we strive for 100% customer and employee satisfaction.



Letter of Transmittal

Date: November 20, 2018

The Shareholders
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited

Subject: Annual Report for the year ended June 30, 2018

Dear Sir(s),

Enclosed herewith, please find, a copy of the Annual Report 2017-2018 containing Directors' Report and Auditor's Report along with the Audited Financial Statements for the year ended June 30, 2018 with notes therein of Information Technology Consultants Limited for your kind information and record.

Thanking you,

Sincerely Yours,



Anindya Sarkar ACS
Company Secretary

AMARSTOCK

Notice of the 18th Annual General Meeting (AGM)



Notice of the 18th Annual General Meeting

Notice is hereby given to the shareholders of Information Technology Consultants Limited that the 18th Annual General Meeting (AGM) of the Company will be held on Thursday, December 06, 2018, at 10:30 a.m. at The Raowa Convention Hall-2 (Anchor Hall), VIP Road, Mohakhali, Dhaka- 1206 to transact the following businesses:

Agenda-1: To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2018 together with the Report of Directors' and Auditor's thereon.

Agenda-2: To declare dividend for the year ended June 30, 2018.

Agenda-3: To elect Directors in terms of the relevant provision of Articles of Association.

Agenda-4: To appoint Statutory Auditors for the year 2018-19 and fix their remuneration.

Agenda-5: To appoint Compliance Auditor as per Corporate Governance Code-2018 for the year 2018-19.

By order of the Board

Anindya Sarkar ACS
Company Secretary

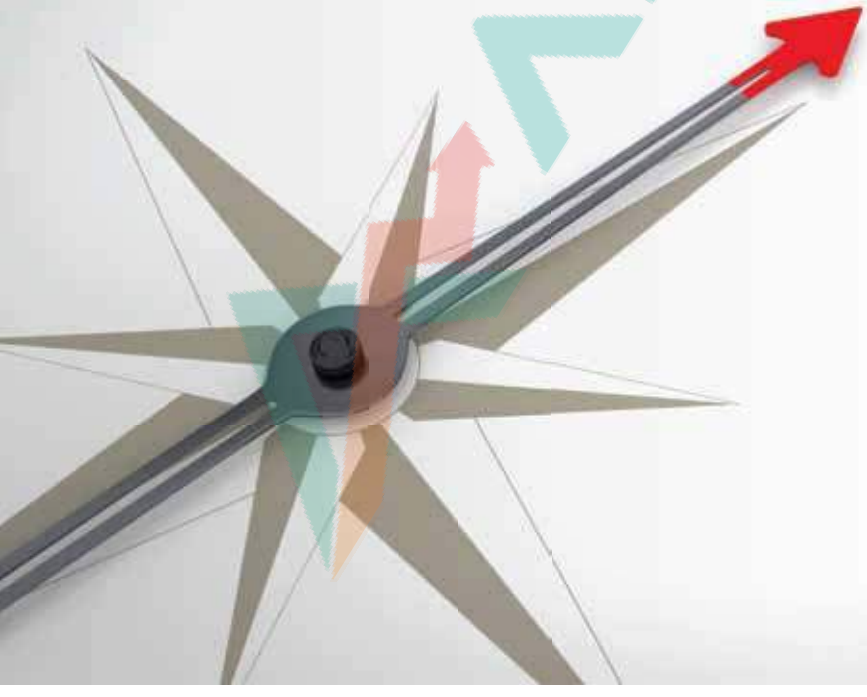
Dated: Dhaka
November 12, 2018

Notes:

1. The Record Date of the Company is November 15, 2018 and the Shareholders with names in the Register of Members or in the Depository Register on the Record Date will be eligible to attend the meeting and qualify for dividend.
2. A member entitled to attend and vote at the general meeting is also entitled to appoint a proxy to attend the meeting and vote on his/her behalf. The proxy form duly completed, must be affixed with a revenue stamp of TK. 20/- and deposited at the Registered Office of the Company not later than 48 hours before the meeting.
3. Admission into the meeting room will be allowed strictly on submission of the Attendance Slip sent with the Report. No children are allowed at the AGM.
4. The Annual Report 2017-2018 is available in the Website of the Company **www.itcbd.com**
5. No Gift/ Gift Coupon/Food Box shall be distributed at the AGM as per Bangladesh Securities and Exchange Commission Notification No. SEC/CMRRCD/2009-193/154 dated October 24, 2013.

Vision, Mission
Company Profile





AMAR STOCK

Vision

Establishing Digital Infrastructure for Financial and Payment Transactions.

Mission

Information Technology Consultants Limited (ITC) aspires to lead the IT Platform in Bangladesh by providing technological infrastructures, electronic payment solutions and real time processing services in the banking sector of the country. Fostering strong community partnerships with our clients, stakeholders and employees is an integral part of our mission.

Company Profile

Established in 2000, Information Technology Consultants Limited has evolved to become a local leader of IT Technology in the rapidly changing arena of Electronic Payment Transaction Processing Systems. ITC is the only PSO (Payment System Operator) licensed by Bangladesh Bank to provide the end-to-end electronic payment services for banks, government organizations, retailers, billers and financial institutes. ITC currently serves 31 banks, with its network named 'Q-Cash' which is a popular brand-name in Banking and Financial sector.

Moreover, ITC is also the technology Integration and Automation partner of Bangladesh Post Office, provides Online Tax Payment platform to NBR (National Board of Revenue) and Sonali Bank Limited, technology provider for DMP (Dhaka Metropolitan Police) and Chattogram Metropolitan Police (CMP) for its E-Traffic Prosecution System.

ITC's payment system solutions are accredited, certified & recognized by Multinational Payment brands such as Visa, MasterCard, UnionPay International and AMEX. We continue to develop partnerships with clients and associates- so that we remain dynamic and relevant- and maintain our cutting-edge advantage, even if market needs to becomemore sophisticated and diverse.

By providing a broad range of payment solutions, ITC today deploys its products and services to multiple clients across various segments, including Governmental institutions, telecommunications, transportation and retail, not limited to only banking and financial services.

Leadership
Board of Directors



Leadership
Board of Directors

1	Mr. Lim Kiah Meng	Chairman (Nominated Director of SiS Capital (Bangladesh) Pte Limited)
2	Mr. Salahuddin Alamgir	Vice Chairman
3	Mr. Kazi Saifuddin Munir, Ph.D	Managing Director & CEO
4	Mr. Lim Kia Hong	Nominated Director of SiS Capital (Bangladesh) Pte Limited
5	Mr. Lim Hwee Hai	Nominated Director of SiS Capital (Bangladesh) Pte Limited
6	Madam Lim Hwee Noi	Nominated Director of SiS Capital (Bangladesh) Pte Limited
7	Madam Fauzijus Tjandra	Nominated Director of Regent Pacific Limited
8	Mr. Md. Waliuzzaman FCA	Independent Director
9	Mr. Md. Haqueful Shaikh	Independent Director

Board Committees:
Audit committee

Mr. Md. Waliuzzaman FCA, Independent Director	Chairman
Mr. Salahuddin Alamgir, Vice Chairman	Member
Mr. Md. Haqueful Shaikh, Independent Director	Member
Mr. Anindya Sarkar ACS, Company Secretary	Secretary

Nomination and Remuneration Committee (NRC)

Mr. Md. Haqueful Shaikh, Independent Director	Chairman
Mr. Mr. Lim Kiah Meng, Chairman	Member
Mr. Md. Waliuzzaman FCA, Independent Director	Member
Mr. Anindya Sarkar ACS, Company Secretary	Secretary

Profile of Directors



Mr. Lim Kiah Meng
Chairman (Nominated Director of SiS Capital (Bangladesh) Pte Limited)

Mr. Lim Kiah Meng is a Singapore national and holds a Bachelor Degree in Commerce from Nanyang University, Singapore and Masters in International Management from the American Graduate School of International Management, USA. He has over twenty years experience in the information technology industry and he is an executive director of SiS Group, which is listed on the Hong Kong Stock Exchange.



Mr. Salahuddin Alamgir, CIP
Vice Chairman

Mr. Salahuddin Alamgir, CIP is a BMA Graduate. He is one of the most promising Entrepreneurs and committed Business Personality. He is the Chairman & CEO of Labib Group which involved in various Businesses in Bangladesh like Textile, Sweater, Telecom, Bank, Lease Finance, IT, Agro etc. and he has been running his business organizations with good reputation, honest credibility and satisfactory turnover for last 20 years.

Mr. Salahuddin Alamgir has been awarded with National & International Recognitions like '20th BATEXPO AWARD-2009', 'NOKIA BEST DISTRIBUTION AWARD-2009', '21st BATEXPO AWARD-2010', 'NATIONAL EXPORT TROPHY 2009-2010 & 2010-2011', 'MERCANTILE BANK HONOUR-2017 as INDUSTRIALIST' etc. based on his excellent business records and significant contribution to the Commerce, Industry & Economy of Bangladesh.

Mr. Salahuddin Alamgir, CIP is also associated with the many associations & institutions and served them in different capacities. He is a Director of Federation of Bangladesh Chamber of Commerce & Industries (FBCCI). He acts as President of Bangladesh Dyed Yarn Exporters Association (BDYEA) since last 5 years. He is a Member of the Executive Committee of Bangladesh Chamber of Industries (BCI) and Bangladesh Mobile Phone Importers Association (BMPIA). He is a Member of the Executive Committee and the Board of Directors since inception of Modhumoti Bank Ltd. He is Member of Bangladesh Garments Manufacturers & Exporters Association (BGMEA), Bangladesh Textile Mills Association (BTMA), Bangladesh Corrugated Carton & Accessories Manufacturers & Exporters Association (BCCAMEA), Gazipur Chamber of Commerce & Industries (GCCI) and Member of SAARC Chamber of Commerce & Industry (CCI). He is also Life Member of Kurmitola Golf Club Limited, Army Golf Club Limited and Gulshan Club Limited.

He is engaged and has contributed in many social and charity activities and also with many educational, religious and social institutions of his locality. Moreover he is run and a Charitable Fund & Organization under name and style 'Salahuddin Alamgir Foundation', He has been contributing 'OLD AGED PEOPLE ALLOWANCE' to the old aged people of Shakhipur &Tangail since 2012.



Mr. Kazi Saifuddin Munir, Ph.D
Managing Director & CEO

Dr. Kazi Saifuddin Munir has over 25 year's of professional experience in research, project development and implementation. He obtained his Masters degree in Mechanical Engineering from Chalmers University of Technology in Sweden. He was a research fellow under Japan/ Sweden Research and Technology Exchange Program and obtained his Ph.D in Automation and Robot Technology (Soft Intelligence) under joint collaboration of Osaka Institute of Technology, Japan and Royal Swedish Institution of Technology, Sweden. He held academic position in Department of Automation and Robot Technology at Chalmers University of Technology, Sweden. He also worked in East Africa as Project Coordinator, Adviser/ Consultant in different bilateral technical program under World Bank & UNDP.

As for ITC, he is not just the founder, but the main architect of this Company. Since inception he has been in the helms of affairs as its Managing Director & CEO and also holds a sizeable equity stakes in the Company.



Mr. Lim Kia Hong
Nominated Director of SiS Capital (Bangladesh) Pte Limited.

Mr. Lim Kia Hong is a Singapore national.He has graduated in Business Administration from the University of Washington, USA and has more than thirty years experience in the IT industry. He is the Chairman & Chief Executive Officer of SiS Group, which is listed on Hong Kong Stock Exchange.



Mr. Lim Hwee Hai
Nominated Director of SiS Capital (Bangladesh) Pte Limited

Mr. Lim Hwee Hai Singapore national and holds a Bachelor Degree in Commerce from Nanyang University, Singapore with Masters in Business Administration from the National University of Singapore. He has over thirty years' exposure in the information technology industry with additional six years experience in finance and banking. Mr. Lim is also an executive director in SiS Group, which is listed on Hong Kong Stock Exchange.



Ms. Lim Hwee Noi
Nominated Director of SiS Capital (Bangladesh) Pte Limited

Ms. Lim is a Chartered Accountant for more than thirty years in Singapore and holds a Bachelors Degree in Commerce from the Nanyang University, Singapore. She is also the Finance Director of SiS Group which is listed on the Hong Kong Stock Exchange.



Ms. Fauzijus Tjandra
Nominated Director of Regent Pacific Limited

Ms. Tjandra is a national of Indonesia. She holds a Bachelors Degree in Offices and Administration from the University of Western Ontario, Canada. She has over twenty years experience in IT distribution business.



Mr. Md. Waliuzzaman FCA
Independent Director

Mr. Md. Waliuzzaman FCA after qualifying as Chartered Accountant worked-with M/s. A. Qasem & Co., as a Chartered Accountant till February 1981. He then served as Deputy Chief Accountant (Head of Accounts and Finance Department) of TSP Complex Limited an enterprise of Bangladesh Chemical Industries Corporation for a very short period till August 1981. In August 1981 he joined Bangladesh Jute Mills Corporation (BJMC) in the position of Deputy General Manager and served with The Crescent Jute Mills Limited, BJMC Head Office, Peoples Jute Mills Limited and Hafiz Jute Mills Limited for long ten years till December 1990. Since January 1991 he started public practice and continued as Managing Partner of M/s. Toha Khan Zaman & Co., Chartered Accountants.

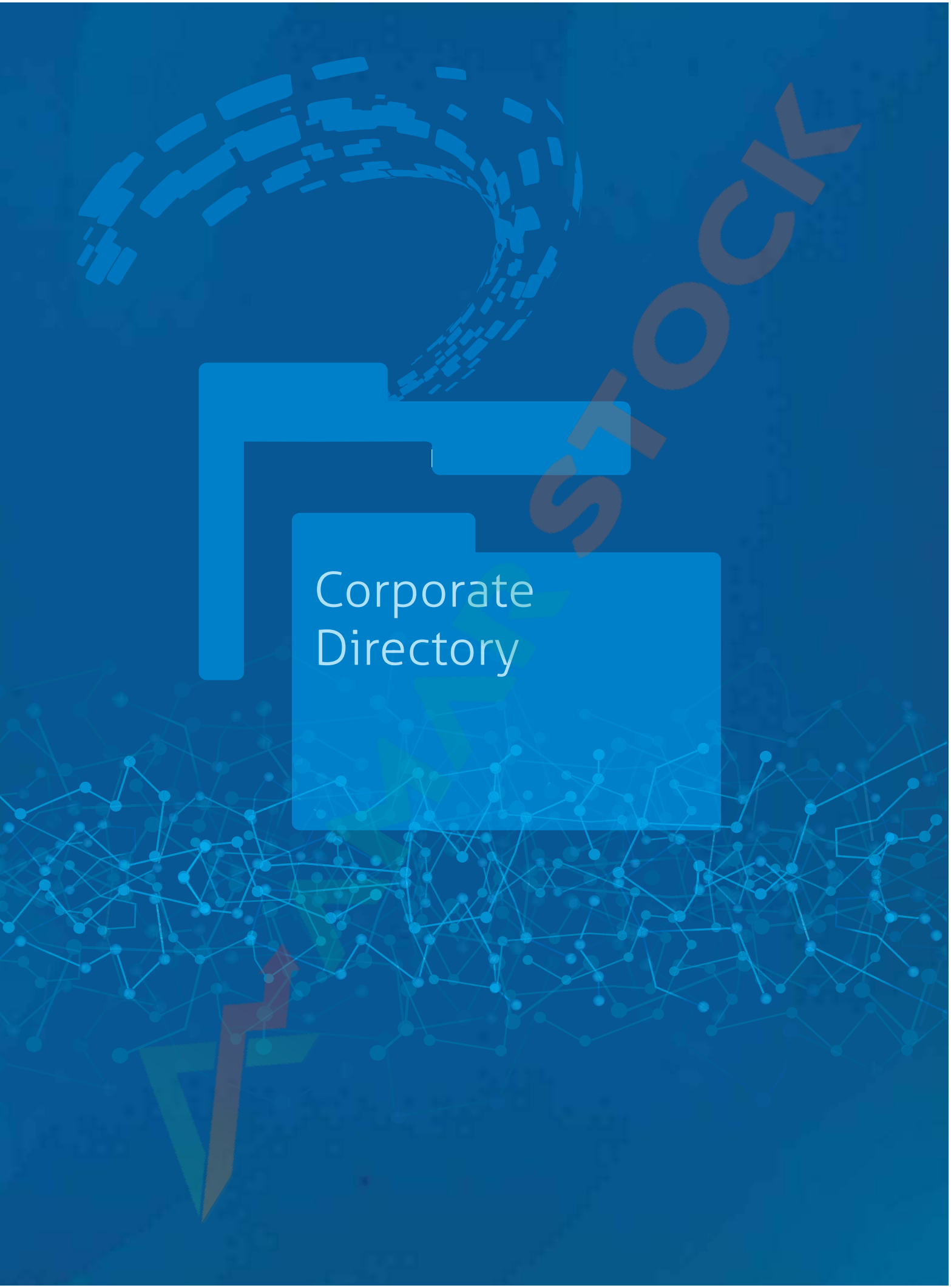


Mr. Md. Haqueful Shaikh
Independent Director

Mr. Md. Haqueful Shaikh obtained his Masters Degree from the University of Dhaka in the year 1966. After academics, he took up banking as career in the year 1967 with the erstwhile Commerce Bank Ltd., that subsequently merged with Agrani Bank in 1972. During his service with Agrani Bank he was posted as CEO of Zenj Exchange Company, an affiliated Exchange House of the bank, in Bahrain in the year 1993. Later, he also worked with Bahrain Exchange Company, a sister concern of Bahrain Financing Company in Kuwait.

During his long 45 years of banking career, he waselevated to various important senior positions in different private banks- like Prime Bank, Social Islami Bank and Jamuna Bank. In course of his exposurewith the govt. and private banks he had the privilege to obtain several banking trainings especially in Foreign exchange related matters as well as International Banking both at home and abroad.

Lastly, he was elevated to the position of Managing Director and CEO of Fast Remit, a reputed Remittance House in Malaysia from mid 2009 to 2011 with great success where from he retired from the banking service.


Corporate
Directory

Corporate Directory

Company Name	:	**Information Technology Consultants Limited**
Registered Office	:	Evergreen Plaza, 260/B, Tejgaon I/A (3rd Floor), Dhaka –1208 Tel: +88 02 9830310-13, Fax: +88 02 9830309
Date of Incorporation	:	23-08-2000
Date of Commercial Operation	:	23-08-2000
Legal Status	:	Public Limited Company listed with DSE & CSE
Authorized Share Capital	:	Tk. 2,000,000,000
Paid-up Share Capital	:	Tk. 104,052,0000
Number of Shareholders	:	4,363
Line of Business	:	The business of the company includes online Switching Solution, Software Development and Service Provider of Q-Cash member banks shared ATM network, POS and Q-Cash transactions processing. Information Technology Consultants Ltd. is committed to be the leader as Electronic Payment Solutions Provider in the Banking sector as well as the Automated Transaction processing Industry in Bangladesh.
Statutory Auditor	:	M/s. Hussain Farhad & Co., Chartered Accountants
Compliance Auditor	:	M/s. Al-Muqtadir Associates, Chartered Secretaries
Legal Adviser	:	Barrister Tanjib-ul Alam
Company Secretary	:	Mr. Anindya Sarkar ACS
Number of Employees	:	357

Significant Milestones



Significant Milestones

Incorporation of the Company	: August 23, 2000
Date of Commercial Operation	: August 23, 2000
Converted to Public Limited Company	: March 16, 2008
Awarded Bangladesh Post Office (BPO) Electronic Fund Transfer (EFT)	: 2009
Appreciation from WINCOR-NIXDORF1000 ATM installed in Bangladesh	: November, 2011
NBR- Sonali Bank e Tax payment launched	: March 26, 2012
Registered Trade Mark of Q-Cash	: August 31, 2013
DMP (Dhaka Metropolitan Police) E-Traffic Prosecution system	: June, 2014
PCI DSS Certificate of Compliance issued by Trust Wave	: August 14, 2014
License from Bangladesh Bank as Payment System Operator (PSO)	: September 09, 2014
Connected to National Payments Switch Bangladesh (NPSB) with Bangladesh Bank	: 2014
Awarded ISO-9001:2008 Certificate	: June 12, 2015
Consent of Initial Public Offering (IPO)	: October 04, 2015
Listing on Dhaka Stock Exchange	: December 24, 2015
Listing on Chattogram Stock Exchange	: December 23, 2015
Debut Trading on DSE & CSE	: January 10, 2016
Trading Code	: ITC
Membership from BAPLC	: January 17, 2016
Best ICT Solution Provider-2015 (local market focus) Award by The Daily Star	: October, 2016
CMP (Chattogram Metropolitan Police) E-Traffic Prosecution system	: December, 2017
Comillla District Police E-Traffic Prosecution system	: December, 2017
Apicta Awards (Global ICT Award) Runner up	: December, 2017
Awarded “A2” rating by CRAB	: December 21, 2017

AMARSTOCK

Company at a Glance

AMAR STOCK

Company at a Glance

- Established in the year 2000, the first private third party payment processing company in Bangladesh
- Licensed Payment System Operator (PSO) in Bangladesh awarded by Bangladesh Bank
- ITC is the owner of the largest payment platform of Bangladesh, known as 'Q-Cash'
- 31 member banks are using different electronic payment services of Q-Cash Network
- Being a certified service provider, ITC Host is connected with National Payment Switch Bangladesh (NPSB), VISA, MasterCard and UnionPay International Network
- Provides more than 9,500 ATMs access for Q-Cash member banks
- Provides the access for more than 35,000 POS all over Bangladesh
- The total paid up capital is BDT 1,040,520,000
- ITC has been awarded Payment Card Industry Data Security Standards (PCIDSS) Certification; the first organization in Bangladesh to receive this highest standard data security certification which is mandatory for Card and Electronic Payment industry business
- 357 employees are currently working at ITC of which 80% are engineers and technicians
- ITC is also the technical partner of National Payments Switch Bangladesh (NPSB) as established and operated by Bangladesh Bank
- Some of unique and first of a kind projects in Bangladesh like Bangladesh Post Office (BPO) automation, Online Tax Payment with NBR & Sonali Bank etc. have been handled as individual project and now been run by ITC
- Providing services to major Government Banks for Electronic Payment Processing
- ITC has implemented and running EGPP (Employment Generation Project for the Poorest) and CCD (Conditional Cash Transfer) project under Bangladesh Post Office (BPO) and World Banks joint initiative
- ITC has also provided consultancy, development, deployment and maintenance for Dhaka Metropolitan Police (DMP), Chattogram Metropolitan Police (CMP), Rajshahi Metropolitan Police (RMP), Comillla District Police E-Traffic Prosecution system
- Converted as public limited company in 2008
- Listed with Dhaka and Chattogram Stock Exchange in 2015
- Debut Trading of shares with Dhaka and Chattogram Stock Exchange in 2016
- Best ICT Solution Provider-2015 (local market focus)Award by The Daily Star in 2016
- Apicta Awards (Global ICT Award) Runner up in December, 2017



Products and Services



Products and Services

Transaction Processing and Maintenance Services	Sales and Support Services
▪ Transaction Switching with automated settlement and reconciliation (Real time)	▪ ATM and Recycling ATM
▪ ATM & POS Transaction Processing	▪ POS
▪ Online Payment Gateway	▪ Kiosk
▪ Remittance Transaction Processing	▪ Bio Metric ATM Solution
▪ Debit & Credit Card Personalization and Management	▪ Switching & CMS Solution
▪ VISA, MasterCard, UnionPay Certification support	▪ Tailor-made Software
▪ SMS Solution	▪ IT Infrastructure - Security Solution
▪ Interfacing/Integration and development of switching solutions/ middleware	▪ Biometric Reader
▪ E-Commerce Solution	
▪ Mobile Financial Services Solution	
▪ Agent Banking solution	
▪ Online Tax Payment solution with development	
▪ Online Passport fees collection through Q-Cash PG	
▪ New service incorporation for ATM, POS, Internet Banking, Wallet, KIOSK and others	
▪ Payment Card Industry Data Security System (PCIDSS) certification	
▪ Electronic Case Management Solution for Traffic Police	

Q-Cash Client List



Q-Cash Client List

Name of the Members Banks			
01	Agrani Bank Limited	17	NCC Bank Limited
02	Bangladesh Commerce Bank Limited	18	NRB Commercial Bank Limited
03	Bangladesh Krishi Bank	19	NRB Global Bank Limited
04	Bank Asia Limited	20	Rupali Bank Limited
05	BASIC Bank Limited	21	Shahjalal Islami Bank Limited
06	EXIM Bank Limited	22	Shimanto Bank Limited
07	First Security Islami Bank Limited	23	Social Islami Bank Limited
08	ICB Islamic Bank Limited	24	Sonali Bank Limited
09	IFIC Bank Limited	25	South Bangla Agriculture and Commerce Bank Ltd.
10	Jamuna Bank Limited	26	Standard Bank Limited
11	Janata Bank Limited	27	Trust Bank Limited
12	Meghna Bank Limited	28	Union Bank Limited
13	Mercantile Bank Limited	29	Uttara Bank Limited
14	Midland Bank Limited	30	One Bank Limited
15	Modhumati Bank Limited	31	Woori Bank, Bangladesh
16	National Bank Limited		

Other Financial Institution			
01	Lanka Bangla Finance Limited		
Other Client Banks			
01	Standard Chartered Bank	09	Prime Bank Limited
02	Dutch Bangla Bank Limited	10	Mutual Trust Bank Limited
03	The City Bank Limited	11	Dhaka Bank Limited
04	BRAC Bank Limited	12	Premier Bank Limited
05	Islami Bank Bangladesh Limited	13	The Farmers Bank Limited
06	Eastern Bank Limited	14	Southeast bank Limited
07	United Commercial Bank Limited	15	NRB Bank Limited
08	Commercial Bank of Ceylon		

Government Entities			
01	Bangladesh Bank	06	Telephone Shilpa Sangstha Limited
02	Bangladesh Post Office	07	Road Transport and Highways Division
03	Bangladesh National Board of Revenue	08	Rajshahi Metropolitan Police (RMP)
04	Dhaka Metropolitan Police (DMP)	09	Comillla District Police
05	Chattogram Metropolitan Police (CMP)	10	United Nations Development Program (UNDP)

Corporate Operational Results



Corporate Operational Results
For the Last Five Years

KEY OPERATING AND FINANCIAL INFORMATION

The key operating and financial information for the year- 2017-2018 along with the preceding four years are presented below:

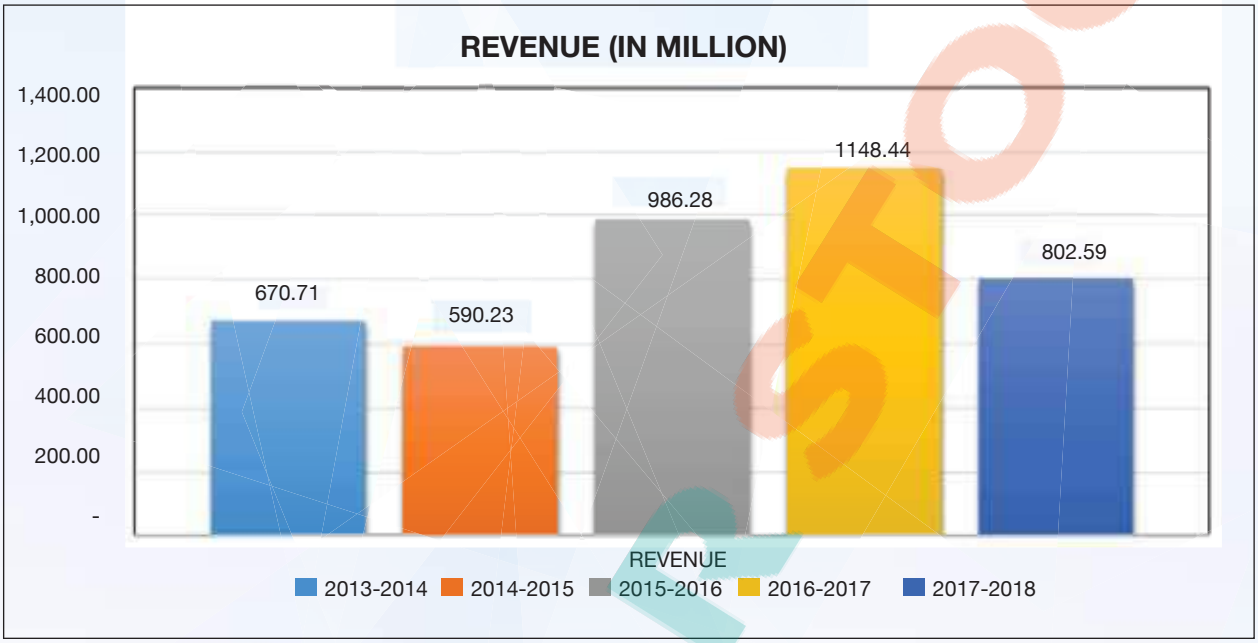
	Y-2017- 2018	Y-2016- 2017	Y-2015- 2016	Y-2014- 2015	Y-2013- 2014
Assets Employed	**Separate**	**Separate**	**Separate**	**Separate**	**Consolidated**
Total Assets	2,495,447,848	2,532,860,267	2,346,310,224	2,011,687,763	1,889,717,804
Total Current Assets	1,406,666,814	1,467,315,493	1,375,037,622	1,054,747,482	1,027,790,640
Property, Plant & Equipment	256,141,723	248,841,236	250,077,835	241,522,145	276,591,890
Intangible Assets	797,227,643	717,522,610	649,214,807	542,758,006	558,043,068
Inventories	363,224,188	328,739,218	438,429,924	285,315,147	260,310,975
Accounts Receivables	411,061,604	404,388,824	436,391,323	374,494,839	450,601,709
Financed By					
Share Capital	1,040,520,000	1,000,500,000	870,000,000	750,000,000	750,000,000
Revaluation Reserve	215,765,163	226,187,806	237,456,401	249,720,234	263,154,934
Retained Earnings	130,193,039	101,917,927	118,044,308*	83,428,301	47,779,765
Revenue and Profit					
Revenue	802,592,068	1,148,441,568	986,281,850	590,227,256	670,707,822
Gross Profit	359,812,401	353,993,429	299,824,882	212,770,074	228,681,392
Net Profit Before Tax	141,214,820	124,744,395	85,659,348	32,318,664	78,447,681
Net Profit After Tax	118,124,599	103,746,325	83,178,420*	31,556,565	77,720,893
EPS	1.14	1.04	0.88*	0.42	1.04
Net Asset Value Per Share	16.16	16.22	16.01*	18.58	18.28
Note: * Re-stated					

DIVIDEND:

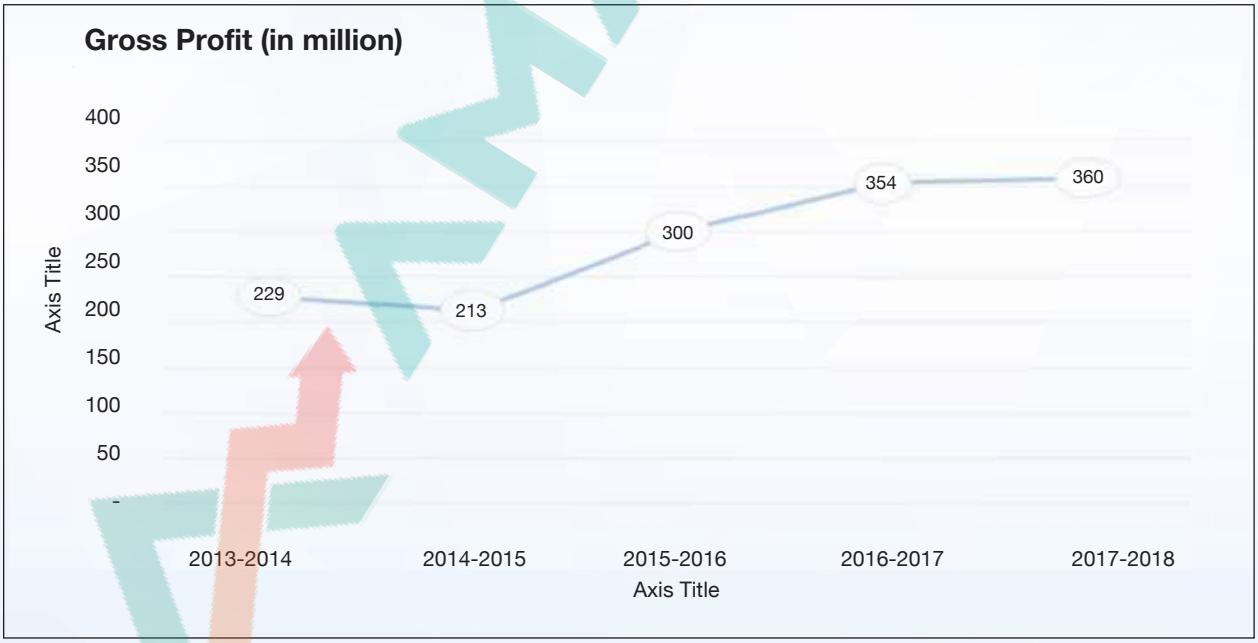
Cash	-	6%	-	-	-
Stock	10%	4%	15%	-	-
Number of Shareholders	4,363	5,581	6,533	87	87
Market Price (TK)	42.40 (DSE) & 42.10 (CSE)	48.70 (DSE) & 48.40 (CSE)	52.10 (DSE) & 52.10 (CSE)	N/A	N/A

Performance at a glance

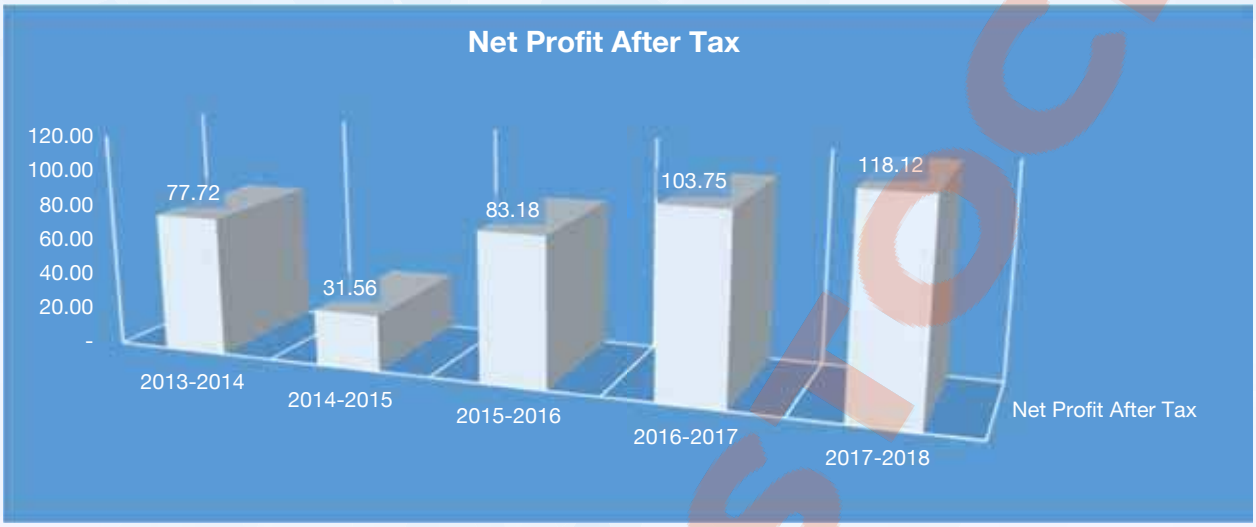
YEAR	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
REVENUE	670.71	590.23	986.28	1,148.44	802.59



YEAR	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Gross Profit	229	213	300	354	360

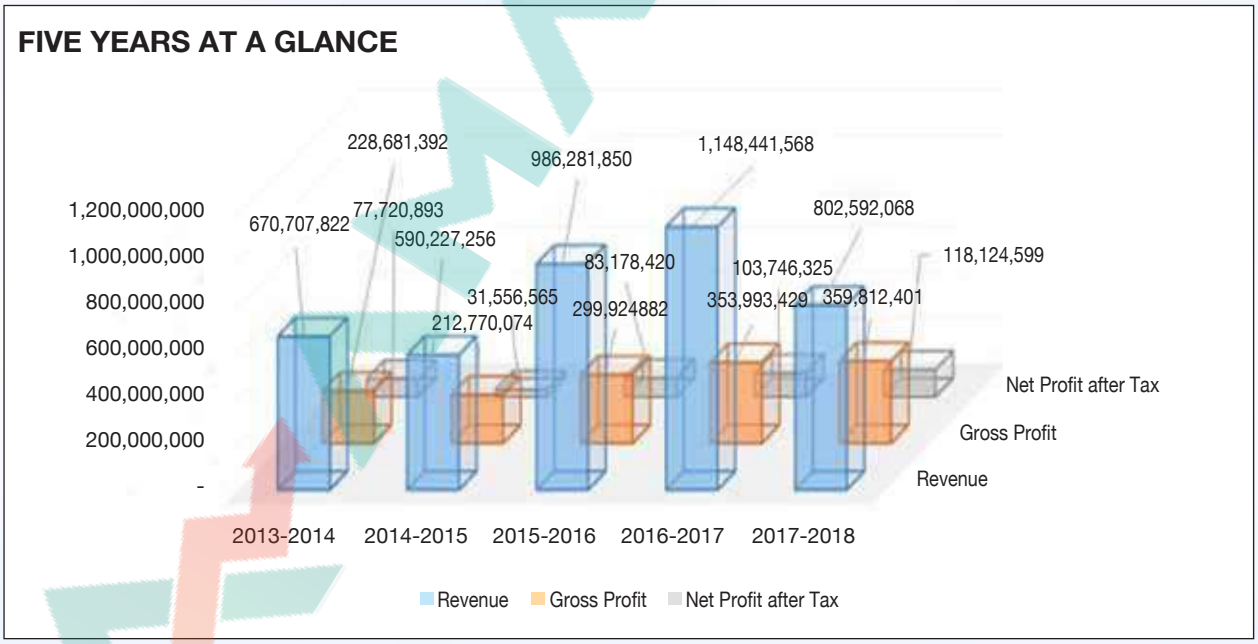


YEAR	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
NET PROFIT AFTER TAX	77.72	31.56	83.18	103.75	118.12



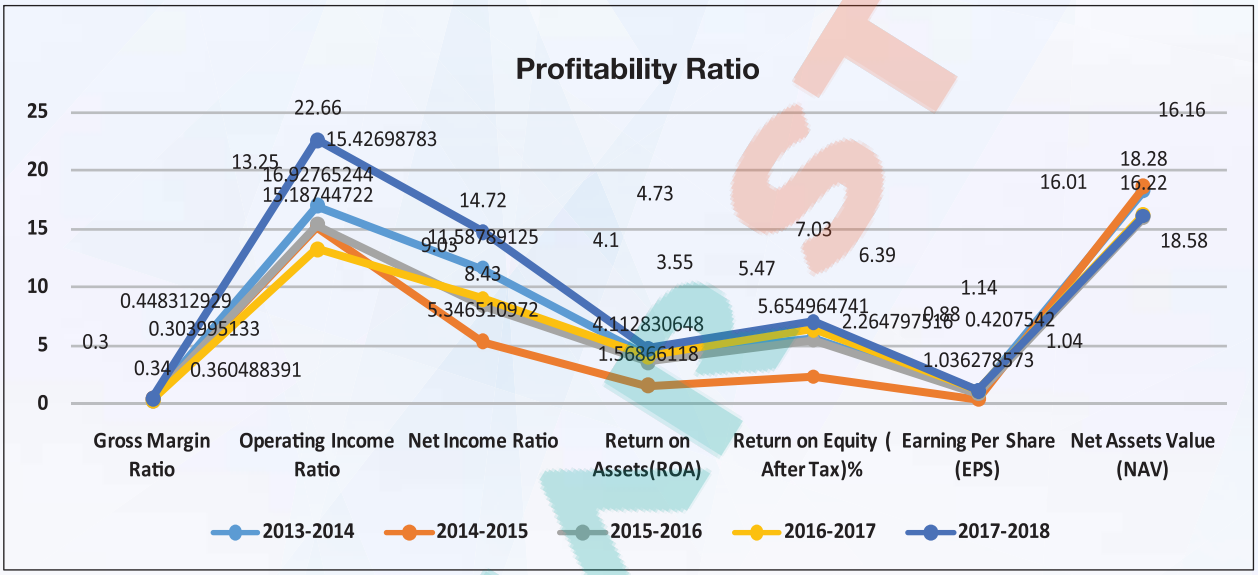
FIVE YEARS AT A GLANCE

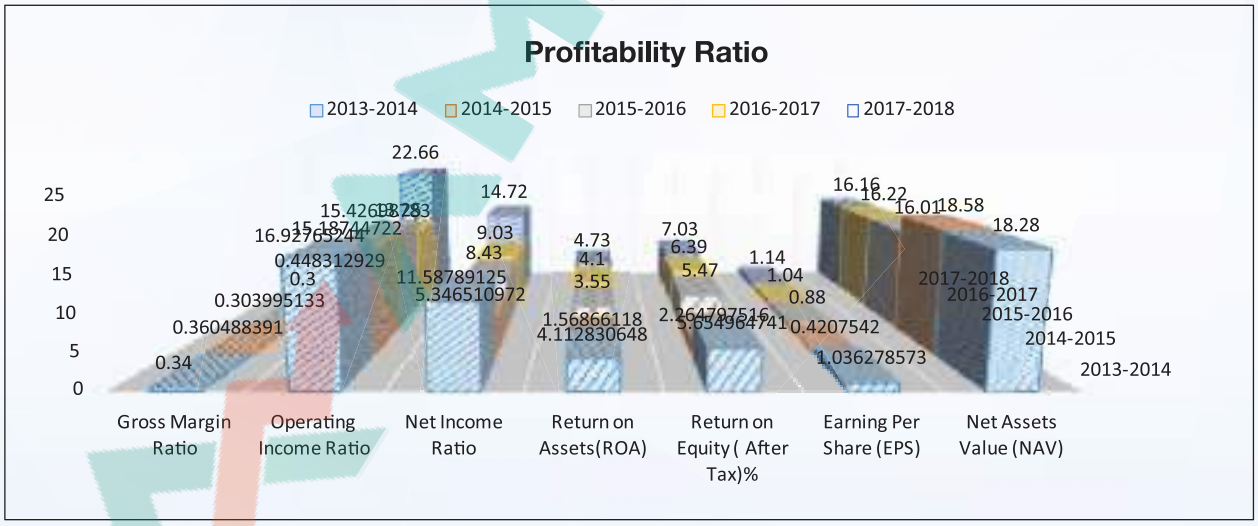
YEAR	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Revenue	670,707,822	590,227,256	986,281,850	1,148,441,568	802,592,068
Gross Profit	228,681,392	212,770,074	299,824,882	353,993,429	359,812,401
Net profit after Tax	77,720,893	31,556,565	83,178,420	103,746,325	118,124,599



Profitability Ratio

YEAR	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Gross Margin Ratio	34%	36%	30%	30%	45%
Operating Income Ratio	6.93	15.19	15.43	13.25	22.66
Net Income Ratio	11.59	5.35	8.43	9.03	14.72
Return on Assets(ROA)	4.11	1.57	3.55	4.10	4.73
Return on Equity (After Tax)%	5.65	2.26	5.47	6.39	7.03
Earnings Per Share (EPS)	1.04	0.42	0.88	1.04	1.14
Net Assets Value (NAV)	8.28	18.58	16.01	16.22	16.16





Message from the Chairman





Message from the Chairman

Dear Shareholders, Colleagues, Ladies and Gentlemen,

Greetings!

It is my privilege to express our sincere gratitude on behalf of the Board of Directors for your kind support and patronage for the company over the years. Your whole-hearted trust and confidence has enabled ITC to become one of the foremost IT Company in Bangladesh.

As you will please be aware that, though ITC has traditionally concentrated its activity in the field of Banking and Finance in the country- we are slowly extending our support to all things DIGITAL in the country, including, Government's revenue collection, postal automation, law enforcement and many other public service areas. As the first licensed "Payment Service Operator" in the country- we have the honor to support the Central Bank in its most vitaloperations of "National Payment System"- which connects all banks providing online banking service through out the country.

ITC being a dynamic Tech Company- it is continuing its research and development and acquire knowledge on the newest technical innovation through out the world and striving to generate sustainable and age-appropriate technology in the country, creating shareholder value and consumer satisfaction. We sincerely believe in continuous improvement of our technology & systems to cater for more efficiency and reduction of cost for our clients. This concept of continued innovation, has served us well in the past and kept us ahead of the competition and enabled us to blend seamlessly with the changing market conditions.

We also take this opportunity thank our executives and employees for their hard work and dedication for the company, which is the central pillar of our success.

We once again express our gratitude to our shareholders and business partners for their continued good-will and request your uninterrupted support and patronage in all future endeavors of ITC.

Thanks and best regards,

On Behalf of the Board

Lim Kiah Meng
Chairman

Statement from the Managing Director & CEO





Statement from The Managing Director & CEO

Assalamu-alaikum.

It is my distinct pleasure to welcome you all to the august gathering of the 18th Annual General Meeting of ITC.

It is my humble privilege to acknowledge you- the updated status of your investment in ITC for the year 2017-2018 and present its Annual Report and Financial Statements.

Dear Shareholders, we have increased our network business during the year of report, extended our business with Government organization a bit more and enlarged our engagement with the Central Bank through National Payment Switch.

Keeping our promises to our Shareholders, ITC has not-only sustained its planned growth pattern but surpassed its business targets. Despite the negative reality in the field of our hardware business, we once again have proven that, with sincerity and perseverance, we shall overcome all business odds by adapting to reality and managing its impact- riding over all future challenges put forward our path of growth.

We assure you once again that, ITC is ready to tackle and overcome any challenge to its business and will always secure the profitability of your investment.

Respected Directors and Shareholders, as always we will need and hope for your continuous support in the years ahead and beyond.

Thank you all for kindly allocating time for our humble arrangement. However in-case of any mistake or maladjustment you may experience, we will request your kind patience & pardon as always.

Thanking you once again,

Munir S.A

Kazi Saifuddin Munir, PhD.
Managing Director & CEO
IT Consultants Limited

Directors' Responsibility Statement

Directors' Responsibility Statement

Responsibility to Financial Statements;

The Board of Directors of Information Technology Consultants Limited would like to inform that the audited accounts containing the Financial Statements for the year ended June 30, 2018 are in conformity with the requirements of the Companies Act, 1994, International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by ICAB, Securities & Exchange Rules -1987 and the listing Regulations of the Dhaka and Chattogram Stock Exchanges and they believe that the financial statements reflect fairly theform and substance of transactions carried out during the year under review and reasonably present the Company's financial condition and results of operations. These Financial Statements are audited by the Statutory Auditors, M/s. Hussain Farhad & Co., Chartered Accountants, Dhaka.

In the preparation of accounts, the applicable accounting standards have been followed;
The company has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at June 30, 2018 and of the profit of the company for the year ended on that date;

The company has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1994 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

The company has prepared the annual accounts ongoing concern basis.

Responsibility to Internal Control System;
The company has taken proper steps and sufficient care in building a system of internal control, which is reviewed, evaluated and updated regularly. The internal audit department of the company, conducts periodic audit of provides reasonable assurance that the established policies and procedures of the company were consistently followed.

Opinion of the Statutory Auditors;
M/s. Hussain Farhad & Co., Chartered Accountants, the external auditor of the Company has carried our annual audit to review the system of internal controls, as they consider appropriate and necessary, for expressing their opinion on the financial statements. They have also examined the financial statements made available by the management together with all the financial records, related data, and minutes of shareholders meeting and board meetings, relevant policies and expressed their opinion as such.

Management Discussion & Analysis

Management Discussion & Analysis

Company Outlook:

Established in 2000, Information Technology Consultants Limited has evolved to become a local leader in IT Technology in the rapidly changing arena of Electronic Payment Transaction Processing Systems. So far, ITC is the only PSO (Payment System Operator) licensed by Bangladesh Bank to provide the end-to-end electronic payment services for banks, government organizations, retailers, billers and financial institutes. ITC currently serves 31 banks, with its network named 'Q-Cash' which is a popular brand-name in the Banking and Financial sectors of Bangladesh. The comparatives on the financial perforance of the company for the year ended June 30, 2018 are summarized as under:

Particulars	2017-18 (Tk)	2016-17 (Tk)	Increased/ (decreased)	Growth (%)
Revenue	802,592,068	1,148,441,568	(345,849,500)	-30%
Cost of Service & Sales	442,779,667	794,448,139	(351,668,472)	-44%
Gross Profit	359,812,401	353,993,429	5,818,972	2%
Operating Expenses	177,963,667	185,201,114	(7,237,447)	-4%
Operating Profit	181,848,734	168,792,315	13,056,419	8%
Profit Before Tax	141,214,820	124,744,395	16,470,425	13%
Profit After Tax	118,124,599	103,746,325	14,378,274	14%

The year 2017-18 witnessed a dive in revenue by 30% against that in 2016-17 due to a drop in turnover, erosion of taka against dollar, along with increase in price by the foreign principals rendering the consequential rise in landed cost of the imported items such as ATM, POS and others. The resultantsales price/offer price- was not very conducive to us based on projected Cost of sales. On the other hand, inspite of very valid reasons, our clientele (Banks & others) declined to review the offered price based on changed market situation despite our repeated explanations, much to our despair. We, therefore, were unable to take the risk of loss by carrying out such business during this period. Additionally, for the last two years, the Banks have also lessened the speed of new ATM rollouts due to the shift in technology in Banking sector from ATM to Cash Recyclers and also Banks are going through financial crunch overall. Those all have contributed to a decline in sales revenue during the year. Nevertheless, those are parts of the business phenomena. However, the management of the company has undertaken special initiatives to overcome the adversities and planning to diversify into newer business arena.

Particulars	2017-18 (Tk)	2016-17 (Tk)	Increased/ (decreased)	Growth (%)
REVENUE :				
Q-Cash transaction Processing charge	308,582,558	255,262,120	53,320,438	21%
Service & Maintenance charges	290,265,394	191,695,020	98,570,374	51%
Sales	203,744,116	701,484,428	(497,740,312)	-71%

In such a backdrop, the Q-Cash Transaction Processing and Service & Maintenance Revenue have expressively increased by 21% and 51% respectively against those in the previous year. Cost of Service and Sales and Operating expenses have decreased by 44% & 4% respectively during the year as against last year.

Net Profit before Tax for the year has increased by Tk. 16,470,425/= from the last year and reflection growth is 13% due to decrease of Operational Expenses & Finance cost. The growth in Net Profit after Tax is 14%.

The Company has contributed an amount of Tk. 57,250,907/- to the National Exchequer against Customs Duties, AIT, VAT, Excise Duties etc. towards Software, Hardware imports and sales.

Financial & Economic scenario of the country and the globe:

The national economy remained strong and resilient during the period under review, despite various external and internal challenges. Bangladesh's economy grew by 7.50% during the year 2017-2018, marking a consistent growth pattern accommodating the fastest expansion of the economy. It was also the seventh year that GDP growth in Bangladesh was greater than 6%. Most analysts expect this thrust to continue for some times to come.

It is said that Bangladesh is growing thrice the pace of neighboring India's economic growth. At $1,355 in 2016, Bangladesh's per capita income was up 40 percent in three years against 14 percent growth in India and 21 percent growth in Pakistan. At this rate, Bangladesh's per capita income would surpassIndia's by the year 2020. With the expansion of economy, the inflationary pressure, nonetheless, has also grown consistently.

However, with timely measures taken by the Monetary Authorities, Inflation rate was kept under check to 5.54 percent in FY18 from 5.57 percent in FY17.

Risk Management

The Company always concentrates on delivering high value to its stakeholders through appropriate trade-off between risk and return. ITCL has a befitting risk management policy and a periodic monitoring system to address the concerns and uncertainties that are likely to hit the Company's business activities, operations, liquidity and financial position for future performances. The Company's risk recognition system works on a real time basis based on a comprehensive framework as such. Accordingly, awell-structured and proactive risk management system is in place within the company to address the volatilitiesrelating to market, liquidity, exchange rate and operations.

Future Plan & Projection

The company has taken numerous initiatives to introduce new technologies for electronic payment services and to cope up with market demand. Some of the major initiatives are:

- Integrate and interoperable with mobile financial service operators and 'Digital Wallet' service providers by following Bangladesh Bank guidelines
- Extend Postal Cash Card services along with Bangladesh Post Office to facilitate disbursement of G2P subsidies, pensions and grants
- Transaction processing for Inter-bank fund transfer through ATM, Internet Banking, e-commerce and other channels
- Expansion of Bangladesh Police Projects (e-traffic prosecution system) across the country
- Selling Cash Recycling Machines (CRM) – with cash deposit and withdrawal facility
- Enable NFC/contactless technology and QR code technology for client banks

Munir S.

Kazi Saifuddin Munir, Ph.D
Managing Director & CEO
Information Technology Consultants Ltd.

Report on the Audit Committee & NRC Policy



Report on the Audit Committee

The Role of Audit Committee

The company has established an Audit Committee as required under the codes of corporate governance code of BSEC. The Audit Committee of ITC, being one of its prime Board sub-committees, assists the Board in discharging its governance responsibilities. The Audit Committee on behalf of the Board ensures that standards of corporate reporting, control and compliance are achieved through effective implementation of the procedures and policies with the aim to enhance the effectiveness of the operations and reduce the risks of business. The Audit Committee periodically reviews the state of affairs of business and makes recommendation on the reporting, control and compliance aspects as well as provides independent monitoring and guidance to the management. A brief of the Audit Committee, its roles, responsibilities and functions are presented as under:

The Composition of the Audit Committee

The Board of Directors has appointed the Audit Committee comprising of the following members of the Board having adequate Knowledge about finance and accounts.

Name of Members	Position in the committee
Mr. Md. Waliuzzaman FCA, Independent Director	Chairman
Mr. Salahuddin Alamgir, Vice Chairman	Member
Mr. Md. Haqueful Shaikh, Independent Director	Member
Mr. Anindya Sarkar ACS	Secretary

Meetings of the Audit Committee

The Committee conducted 4 meetings during the year under review.

Sl. No	Name	Number of Meeting during 2017-18	Number of Attendance During 2017-18	Remarks
1	Mr. Md. Waliuzzaman FCA, Independent Director	04	04	
2	Mr. Salahuddin Alamgir, Vice Chairman	04	04	
3	Mr. Md. Haqueful Shaikh, Independent Director	04	04	

Activates of the Audit Committee

The audit committee discussed the following issues during the year:

a) Regular review of the Internal and External Inspection & Audit Report with a view to implementing the suggestion of Internal and External Auditors in respect of Internal Control structure and techniques.

b) Minimize expenditure in all operational activities where possible.

c) Reviewing the Accounting procedure with a view to ascertaining that the International Financial Reporting Standard (IFRS) has been applied in maintaining books and records.

The Following steps were also taken for implementation of the Internal Control Procedures of the company:

a) Audit & Inspection division of the company carried out Internal Audit with a view to enrich the compliance culture and full control on the exertion of the ITC's operations. The division reports directly to the Board Audit Committee.

b) Regular monitoring has been done for the effectiveness of the quality control policies and procedures with the effect to evaluate the application of internal Control System and Internal Audit Policy for financial risk, existing rules and regulation.

c) To establish Planning, Organizing and Supervising culture and monitoring of Audit and Inspection of the Technology and differentother divisions.

Reporting
Pursuant to condition # 5(6). a of the Corporate Governance Code-2018 issued by BSEC, the Committee reports that it did not find any conflict of interest, any fraud, irregularity or material defect in the internal control system. There also are no infringement of laws rules and regulations.

Acknowledgement
The Audit Committee expressed their sincere thanks to the members of the Board and Management of the company for their support in carrying out its duties and responsibilities effectively.
On behalf of the Audit Committee.



Md. Waliuzzaman FCA
Chairman
Audit Committee

Date: October 25, 2018

AMAR STOCK

Nomination & Remuneration Committee (NRC) Policy
Pursuant to code 6.5(c) of the codes of corporate governance, the Nomination & Remuneration Policy of the Company is presented hereunder at a glance:

Nomination & Remuneration Committee (NRC)
The Nomination & Remuneration Committee (NRC) was set up with explicitterms of reference.The Nomination and Remuneration (NRC) Committee shall, at least once a year, consider its own performance and terms of reference to ensure that it is operating at maximum effectiveness and shall recommend any changes necessary to the Board for approval.

The Composition of the NRC
The Board of Directors has appointed the Nomination & Remuneration Committee comprising the following members of the Board having adequate Knowledge.

Name of Members	Position in the committee
Mr. Md. Haqueful Shaikh, Independent Director	Chairman
Mr. Mr. Lim KiahMeng, Chairman	Member
Mr. Md. Waliuzzaman FCA, Independent Director	Member
Mr. Anindya Sarkar ACS	Secretary

The duties of the Nomination Committee shall be:

- Review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the company's corporate strategy;
- Identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- Assess the objectivity/independence of independent non-executive directors; and
- Make recommendations to the Board on appointment or re-appointment of directors and succession planning for directors.

The Nomination & Remuneration Committee is mainly responsible for making recommendations to the Board on the company's policy and structure for remuneration of Directors and Senior Management, and reviewing and approving the compensations payable to the Managing Director & CEO and Senior Management. The meeting will be held once in a year.
The duties of the NRC includes:

(i) Formulating the criteria for evaluation of performance of independent directors and the Board;
(ii) Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality.
(iii) Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
(iv) Developing, recommending and reviewing annually the company's human resources and training policies.

Disclosure
This disclosure is made pursuant to condition # 6.5(c) of the Corporate Governance Code-2018 issued by BSEC.

Acknowledgement
The NRC Committee expressed their sincere thanks to the members of the Board and Management of the company for their support in carrying out its duties and responsibilities effectively.

On behalf of the NRC Committee



Md. Haqueful Shaikh
Chairman
Nomination & Remuneration Committee (NRC)

Statement of Corporate Governance



Statement of Corporate Governance

The Board of Directors of ITC as the supreme authority in the Company acknowledges that the Company, being a listed business entity, it has a role to play in upholding the interests of all its stakeholders. Strong governance works as the backbone of an upright organization. Corporate Governance is about intense supervision, commitment to values, ethical business conducts and compliance to regulatory laws. It provides for a structure that works for the benefit of its stakeholders by ensuring that the enterprise adheres to accept ethical standards and best practices as well as to applicable laws, procedures and implicit rules. Being a technology oriented business entity, ITC emphasizes on transparency, accountability and compliance, which are the essence of corporate governance. Good Governance principles encourage the company to create value through innovations, development and exploration on the one hand and on the other to provide accountability and control systems commensurate withthe risks involved. The other important part of the Corporate Governance is regular disclosure of information regarding the financial position of the company, its performance, ownership and governance in a timely and accurate manner. The disclosures help in improving public understanding of the structure, activities and policies of the organization.

The structure of corporate governance in Bangladesh is guided by the BSEC codes of corporate governance as gazette vide no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018.The ITC Board has given prime attention to the codes and which are in the process of implementation in the Company.

Corporate Governance in ITC

As part of its governance pursuits, the Board of ITC is committed to ensuring the highest standards of governance designed to protect the interests of all stakeholders while promoting integrity, transparency and accountability. The Board and the Management Team also put their best efforts to comply with all the laws of the land and all internal regulations, policies and procedures to make the company a thoroughly transparent entity. In such exercises, it also recognizes the regulatory authority's emphasis that the shareholders are the ultimate beneficiaries of the Company's all economic activities.

The Board is of the view that through out the reporting year the company has complied with the thenapplicable CG conditions and continues to monitor and review the company's governance pursuits and makes necessary changes to conform to newer codes.In addition to the primary role of monitoring corporate performance, the function of the Board includes approving business plans, reviewing and approving annual budgets and borrowing limits, fixing exposure limits and ensuring that theshareholders are kept informed about our plans, strategies and performances. To enable the Directors to discharge their responsibilities effectively, the management provides detailed reports on performance to the Board on quarterly basis. The Board also functions through its various committees, such as the Audit Committee, NRC etc.

Ethics & Compliance

ITC's Corporate Governance philosophy encompasses not only regulatory and legal requirements, but also other best practices aimed at a high level of business ethics, effective supervision and enhancement of value for all shareholders.

We are performing perfectly fairlyand efficiently to generate long-term value and wealth for all its stakeholders. The Governance principles of the Company ensure that the Board remains independent, informed and involved in the company. At the same time there are continuousefforts to further improve the governance standards to augment the company strategies and to mitigate the "no business" risks. To that end, the Board periodically reviews the effectiveness of initiatives and at the same time compliance of all applicable laws and regulations and gives appropriate directions wherever necessary.

The Board mix and formation

The basic responsibility of the Board is to provide effective governance over the company's affairs exercising its reasonable business judgments on behalf of the Company. The company's business is conducted by its employees under directions of the Managing Director & CEO and the overall supervision of the Board. The Board members have collective experience in diverse fields of business.

In order to comply with the BSEC's notification dated June 03, 2018 on Corporate Governance, the Board of ITC has appointed two eminent personality as Independent Director of the Company. Thus, the Board of ITC comprises of 09 (Nine) members of which 6 (six) are Non-Executive Directors and 2 (Two) are Non-Executive Independent Directors and a Managing Director & CEO. The goal has been to form a competent Board, which is cohesive and has the expertise for quick and informed decision making. We believe that the ITC Board has the optimum level of knowledge, composure, skills and understanding about the Company's business and stands as the perfect platform to perform and deliver.

Role of the Board

The Board of Directors is in full control of the company's affairs and is also accountable to the shareholders. The Board is committed to achieve greater financial performances and long term prosperity, while meeting stakeholder's expectations of sound Corporate Governance practices. In discharging its responsibilities, the Board is guided by the regulations contained in the Memorandum and Articles of Association of the Company, the Companies Act 1994, laws of the land, relevant applicable regulations, BSEC Codes of Corporate Governance, Listing Regulations, Company's Codes of Conduct, Business Principles, Rules of Delegated Authoritiesand other generally accepted corporate best practices.

Board Meetings

The Company holds at least four Board meetings in a year, one in each quarter, when duly called in writing, inter alia to review the financial results and other matters of the Company. The gap between the two Board Meetings does not exceed three months. The Board, accordingly, met five times during 2017-18. Dates for Board Meetings are decided in advance and notice of each Board Meeting is served in writing well ahead of the meeting. The notice contains the detailed statement of business to be transacted at each meeting. The Board meets for both scheduled meetings and on other occasions to deal with urgent and important matters that require attention.Apart from the four stipulatedBoard Meetings, additional Board Meetings are also convened to address anyspecific requirements of the Company. Urgent matters are also approved by the Board by passing resolutions through circulation. The Board performs following functions in addition to overseeing the overall business and management:

- Formulating long-term strategies and setting the goals and direction for the Company.
- Review, monitor and approve major financial and business undertakingsand corporate actions.
- Providing leadership necessary to ensure that the business objectives set out by the Board are met within the framework of internal controls.
- Assess critical risks facing by the Company and review options for their mitigations.
- Ensures that the processes are in place for maintaining the integrity of:
  - o The Company
  - o The financial statements
  - o Compliance with law
  - o Relationship with customers and shareholders.
- The Board is also tasked todecide on the following business transactions and activities :
  - Acquisition, disposal or closure of a business unit.
  - Establishment of new businesses.
  - Capital investment and disposal of tangible assets.
  - Proposal for borrowings or credit facilities.
  - Appointment of top management and any expatriate official.

Audit Committee

The primary role of the Audit Committee is to oversee the financial reporting process and disclosure of financial information, to review the financial statements before submissionto the Board, to review adequacy of internal control systems and to review findings of internal investigations andrecommending appointment/removal of statutory auditors and fixing their remuneration. A separate report on activities of the Audit Committee is attached at page no. 41 of this reportpursuant to condition # 5.7 of the Corporate Governance Code-2018.

Nomination & Remuneration Committee (NRC)
The primary role of the NRC is to oversee the structure, size and composition (including the skills, knowledge and experience) of the Board Members and to make recommendations to the Board on company's policy and structure for remuneration of Directors and Senior Management, and reviewing and approving the compensations payable to the Managing Director & CEO and Senior Management. The policy of NRC is attached at page no. 43 of this report pursuant to condition # 6.5(c) of the Corporate Governance Code-2018.

Role of the Chairman
The directors and their meetings are headed by a Chairman. The Chairman of the Company is elected by the Board of Directors and the Board considers the Chairman being neutral and independent.He plays authoritative role in the selection of members of the Board and senior management. He convenes the meetings and works closely with the Managing Director & CEO and Company Secretary to set the agenda of the Board Meetings. He provides leadership to the Board and ensures that the Board works effectively and discharges its responsibilities efficiently. A brief of the roles and responsibilities of the Chairman is as follows:

- The Chairman's responsibility is defined by the Board as directed by BSEC notification on Corporate Governance.
- The Chairman ensures that the Board is functioning in accordance with the Memorandum and Articles of Association of the Company as well as other applicable laws.
- The Chairman presides over meetings of the Board and Company (AGM) and ensures that good governance prevails in the conducts of the Board and Company.
- The Chairman maintains relations with the relevant stakeholders in consultation with the Board as well as the Managing Director, representing the company as a good/responsible corporate citizen.
- The Chairman may assume any other responsibility if the Board assigns within the purview of the relevant Rules, Regulations, Acts and Articles.

Chairman and Managing Director/CEO of the Company are different persons
As required under the regulatory guidelines, Chairman of the Board and Managing Director of the Company are different individuals with different roles and responsibilities as defined by the Board and thereby preventing unregulated powers of decision making by a single hand. The Chairman is a Non-Executive Director while the Managing Director is an Executive Director. The roles of the Chairman and Managing Director are clearly established, set out in writing and adopted by the Board to ensure transparency and better governance.

Role of the Managing Director & CEO
The Managing Director & CEO is the key person and is responsible for running the business of the Company. He is also responsible for formulating as well as implementing Board strategy and policy. The Managing Director is responsible for establishing and execution of the Company's operating plan necessary to achieve businessobjectives of the Company. He has the overall control on the Company's day-to-day affairs and is accountable to the Board for the financial and operational performance of the Company. A brief of the roles and responsibilities of the Managing Director is as follows:

- The Managing Director is responsible for driving business operations, leading the development and execution of the company's long term strategies with a view to creating shareholders value.
- He is responsible for all day-to-day management decisions and for implementing the company's long and short term plans.
- Managing Director acts as the direct liaison between the Board and Management of the company and communicates to the Board on behalf of the Management.
- The MD also communicates to the shareholders, employees, Government authorities, other stakeholders and the public on behalf of the company.

Role of the Company Secretary

The Board has appointed a Company Secretary in order to maintain the necessary link and liaison with the internal organs as well as external agencies, and also to ensure effective collection, compilation and timely flow of information to and from the Board. The Corporate Governance Codes issued by BSEC also require a listed company to appoint a full-fledged Company Secretary. Being a governance official, the Company Secretary drives for corporate compliance and provides support to the Chairman, other members of the Board and the MD to ensure effective functioning of the Board. The Company Secretary organises and attends all Board and Committee meetings and ensures that deliberations on all issues are properly minutes, decisions recorded and are duly communicated across the respective authoritylines for necessary information and actions. A brief of the roles and responsibilities of the Company Secretary is as follows:

- Maintaining linkage between the Board, Management, Shareholders and other stakeholders on matters of corporate interests,
- Performing duties as per guidelinesmainly for corporate secretarial matters.
- Compliance of the Acts, rules, regulations, notifications, guidelines, codes, orders/directives, etc. as issued by BSEC or Stock Exchanges applicable to the Company so as to protect the interests of the investors and other stakeholders at large.
- Disclosure of the corporate price sensitive information (PSI) and other capital market related issues,
- Ensuring that appropriate Board procedures are followed as per given guidelines/secretarial standards and best practices, and advises the Board on matters as such.
- Maintaining all statutory and other statistical registers as required under laws of the land.
- To act generally as the Public Relations Officer of the company.

Role of the Head of Internal Audit & Compliance (HIAC)

The Company's internal control system is designed to provide reasonable assurance regarding the achievement of the company's objectives in respect of effectiveness and efficiency of operations, reliability (completeness and timeliness) of financial reporting and management information, compliance with applicable laws, regulations and the company's policies. The Head of Internal Audit and Compliance is responsible forthe internal control system and reporting to the Board Audit Committee regarding deviations from accounting and internal control system. He is also leading the internal control team of the company.

The company's internal control system is commensurate with its size and business nature. The system minimizes operational risks through effective control, systematic review and on-going audit. The internal auditors embark ona comprehensive audit of all functional areas and operations and their findings are referred to the Audit Committee of the Board for due appraisal.

The company has institutionalized its legal and technical appraisal functions to ensure optimum control of the company's multi-level authorization structures which has ensured that higher exposure levels were duly authorized by appropriate personnel and committees with required experience and authority. Training programs and guidelines have helped implement linkage between the goals and operations.

The Board has ultimate responsibility for establishing an effective system for internal control. The internal control system moderates all business risks, including financial, operational and strategic. To mitigate all the risks as well as to establish control environment, the Board holds its meeting regularly with comprehensive agenda dealing with all major aspects of business. There is an internal control and compliance department directly reporting to the Board Audit Committee which looks after compliance with the organizational policies by different departments.

ITC has made relevant mandatory disclosures in its financial statements under the regulatory framework, including compliance with the provisions of International Financial Reporting Standards (IFRS) as adopted in Bangladesh.Besides that, it submits all the reports/statements regularly which are required to be sentto the regulators as well as the other stakeholders of the company.

Risk Management
The company always concentrates on delivering high value to its stakeholders through appropriate trade-off between risk and return. A well-structured and proactive risk management system is in place within the company to address the risks and worries stemming from the competing markets, operational issues, legal knots, interest and exchange rate volatilities and potential changes in policies at the national or global levelrelating to market, liquidity and operations.The company's risk recognition system works on a real time basis based on a comprehensive framework as such.

Related Party Transactions
Transactions with related parties are made on arm's length basis and are in the ordinary course of business. Detailed transactions with related parties are described at notes 39 of the Financial Statements in the page no. 105 of this annual report.

Financial Reporting
Financial reporting system is the backbone of a successful information structure. ITC has strong financial reporting procedures in place. Financial statements are prepared in accordance with International/Bangladesh Financial Reporting Standards (IFRS/BFRS), the Companies Act, 1994, the Securities and Exchange Rules 1987 and other applicable financial legislations. These financial statements, once prepared, are reviewed initially by CFO and CEO and then by the Audit Committee on a regular basis. At every quarter, external auditors review the quarterly financial statements prepared in accordance with the local financial reporting policies and Company procedures. After all internal scrutiny, the financial reports are placed before the Board for final review and approval.

Statutory Audit & Certification
Annual audit of the company is governed by the Companies Act, 1994 and Securitas and Exchange Rules 1987. As per these regulations, auditors are appointed by Shareholders at each Annual General Meeting (AGM) and their remuneration is also fixed by the Shareholders at the same AGM. Appropriate structure is in place as per corporate governance best practices to ensure independence of statutory auditors. Statutory auditors are rotated every three years in compliance with the Codes of Bangladesh Securities and Exchange Commission (BSEC). Audit Committee meets with the statutory auditors to ensure that auditors are acting independently and reviews the financial statements before submission to the Board for approval.

Further, to ensure adequate regulatory discharge, a Compliance Certificate is obtained from licensed practicing professionals M/s. Al-Muqtadir Associates, Chartered Secretaries & Consultants, who certify that the company has duly complied with all the regulatory requirements as stipulated by the Bangladesh Securities and Exchange Commission (BSEC). The Compliance Certificate is available at page 60 in this Report.

Declaration of CEO and the CFO regarding Financial Statements
A separate statement pertaining to due diligence of the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) as required under codes of corporate governance is presented at page no. 59 of this report.

Observance of BAS, BFRS & Applicable Laws
The Directors confirm that the financial statements have been prepared in accordance with the Bangladesh Accounting Standards and applicable rules and regulations. A statement on implementations of the different accounting standards is set out at notes to the financial statements.

Employee Health & Safety
ITC maintains internal health and safety policies and procedures and country's regulations to ensure a safe working environment. We are working with our employees to ensure that health and safety standards are maintained and improved. ITC provides adequate life and hospitalization insurance coverage to all its permanent employees.

Annual General Meeting (AGM)

The General Meeting of Shareholders is the supreme governing forum in ITC. The company recognizes the rights of Shareholders and the Shareholders' interests are primarily ensured through the Annual General Meeting (AGM). ITC holds Annual General Meeting of shareholders once a year and the Company ensures effective interaction with the shareholders at the Annual General Meeting. The Directors pay special attention in answering the various queries raised by the shareholders at the AGM. The company's General Meetings provide a transparent and open platform for the shareholders to communicate with the Board. The Board Members and Statutory and Compliance Auditors attend the AGM to respond to the Shareholders' queries on the result or any other aspects of the company, if any.

Directors' Report to the Shareholders

AMAR STOCK

Directors' Report to the Shareholders

Honorable Shareholders,

In terms of the provisions of Section 184 of the Companies Act 1994, Rule 12 (and the schedule there under) of the Bangladesh Securities and Exchanges Rules 1987, It is my distinct pleasure to submit this Report to you, for the year ended June 30, 2018 , on behalf of the Board of Directors of ITC. It is a great honour and privilege on the part of the Board of Directors and myself to welcome you all to this 18th Annual General Meeting of Information Technology Consultants Limited and to place before you the audited Annual Financial Statements of the company for the year ended 30th June 2018 for your kind consideration and adoption.

Monetary Management and Bangladesh Economy:
During the last few years, the buzzword "Digital Bangladesh" was just a Government Slogan. But with the passage of time and persistent drive and implementation of digitization- it is now a reality what has rapidly transformed the socio-economic realm of the country.

Rural Urban gap has narrowed with the introduction of Postal Digitization, different Banks/ Fintech companies have introduced e-money transfers/agency Banking, greatly reducing the need for people to visit Bank Branches. We are proud to claim that ITC has its little contribution in many of these fields- during this transformation process.

Bangladesh's economy grew by 7.50% during the year 2017-2018, which is a consistent growth pattern accommodating the fastest expansion of the Economy. It was also the seventh year that GDP growth in Bangladesh was greater than 6%. Most analysts expect this thrust to continue for some times to come.

It is said that Bangladesh is growing thrice the pace of India's economic growth. At $1,355 in 2016, Bangladesh's per capita income was up 40 percent in three years against 14 percent growth in India and 21 percent growth in Pakistan. At this rate, Bangladesh's per capita income would top India's by the year 2020.

Inflationary pressure:
With the expansion of economy the inflationary pressure has also grown consistently. However, with the timely measures taken by the Monetary Authorities, Inflation rate was kept under check to 5.54 percent in FY18 from 5.57 percent in FY17. The rural-urban gap in food inflation also reduced. But, non-food inflation increased as un-seasonal flood situation caused some supply disruptions. Aggregate demand management has effectively tamed inflation volatility while declining international commodity prices helped keep inflation within the marginal boundary.

Industry Outlook and Possible future Developments in the Service Industry sub-sector
Since its inception ITC has been involved in creating awareness and demand for digitization in the Market, especially in the field of the Banking and Finance, the lifeblood of the economy. Our untiring efforts and persistent persuasions has brought us the result today- in its ever expanding field of Transaction Processing and ATM services which presently supports 31 Banks. ITC has also extended its service and expertise in the National Revenue collection, the revolution Digital Post and implementation of E-ticketing system with Dhaka & Chattogram Metropolitan Law Enforcing Authorities.

We are thankful that the Government Authorities have finally recognized the potential of ICT industry and its tremendous impact on the socio-economy. ITC has always offered customized solutions to its clients, assessing their exact business needs, Future Visions and Budgeting priorities. Our approach has attracted our clients to return to us for any of their IT needs- which we are only too happy to oblige.

(Source: Bangladesh Bank, Bangladesh Bureau of Statistics and The World Fact Book Bangladesh part).

Contribution to the National Exchequer

The Company contributed an amount of Taka 57,250,907/-to the National Exchequer against Customs Duties, AIT, VAT, Excise Duties etc. to wards Software, Hardware imports and sales.

FINANCIAL RESULTS:

The comparatives on the financial performance of the Company for the year ended to June 30, 2018 are summarized hereunder:

Particulars	2017-18 (Tk)	2016-17 (Tk)	Increased/(decreased)	Growth %
Revenue	802,592,068	1,148,441,568	(345,849,500)	-30%
Cost of Service & Sales	442,779,667	794,448,139	(351,668,472)	-44%
Gross Profit	359,812,401	353,993,429	5,818,972	2%
Operating Expenses	177,963,667	185,201,114	(7,237,447)	-4%
Operating Profit	181,848,734	168,792,315	13,056,419	8%
Profit Before Tax	141,214,820	124,744,395	16,470,425	13%
Profit After Tax	118,124,599	103,746,325	14,378,274	14%

During the year 2017-2018 the revenue decreased by 30% in comparison to 2016-2017 due to drop in Sales Revenue, Incline of USD/Taka conversion rate as well as increasing price by the foreign principals, thereby increase in the Landed cost of the Imported Items such as ATM, POS & others. Resulting sales price/offer price- was not conducive to us, based on projected Cost of sales. Beside this, our clientele (Banks & others) declined to review offered price based on changed market situation despite our repeated explanation. We therefore were unable to take the risk of loss by execution of such business during this period. Additionally, for the last two years, the Banks have also reduced the speed of new ATM rollout due to shifting of technology in Banking sector from ATM to Cash Recyclers, and also Banks are going through financial crunch overall. So sales revenue has deteriorated during the year. We consider this as an ongoing business movement. However, the management of the Company has taken special initiative to overcome these difficulties and planning to diversify into new business arena.

Particulars	2017-18 (Tk)	2016-17 (Tk)	Increased/(decreased)	Growth %
Revenue				
Q-Cash Transaction Processing charge	308,582,558	255,262,120	53,320,438	21%
Service & Maintenance Charges	290,265,394	191,695,020	98,570,374	51
Sales	203,744,116	701,484,428	(497,740,312)	-71%

In this consequences, the Q-Cash Transaction Processing & Service & Maintenance Revenue has expressively increased 21% & 51% against previous year. Cost of Service & Sales and Operating expenses has decreased 44% & 4% respectively during the year based on last year.

Revenue Growth & Products:

Net Profit before Tax for the year has increased by Tk. 16,470,425/= from the last year and reflection growth is 13% due to decreased of Operational Expenses & Finance cost. The growth in Net Profit after Tax is 14%. However, the revenue is generated from the services and products provided to the clients in packages and or combination. Renenue against different services and products can hardly be segregated. The list of Products and Services are shown in the page no. 23.

Human Capital

	2017-18	2016-17
Beginning of the year	337	312
New recruitment	40	60
Released	20	35
Closing of the year	357	337

Appropriation Proposed

1	Net Profit After Tax for the year 2017-18		Tk. 118,124,599
2	Appropriation Proposed: i) Issuance of 10,405,200 Bonus shares (Stock Dividend) @ 10%: Face Value of Bonus Share	Tk. 104,052,000	Tk. 104,052,000
3	Net Un Appropriated Profit		Tk. 14,072,599

Risk Management:

Financial Risk Management

The management has overall responsibility for the establishment and oversight of the company's risk management framework. The company has exposure to the following risks from its use of financial instruments.

(a) Credit Risk;

(b) Liquidity Risk; and

(c) Market Risk.

(a) Credit Risk

Credit Risk represents the financial loss to the company if a customer or counterparty to a financial instrument fail to meet its contractual obligations. It mainly comprises of trade receivables, advances to suppliers, trade deposits and bank balances. The company's maximum exposure to credit risk at the reporting date is trade receivables which is also secured by agreement with the clients & member banks also.

(b) Liquidity Risk

Liquidity risk is the risk that the company may not be able to meet its financial obligations as they fall due. The company maintains sufficient resources and arrangement of credit lines with the various banks for managing it's liquidly risk.

(c) Market Risk

Market risk is that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, interest rates and other price risks. The objective of market risk management is to manage and control market risk exposures within an acceptable range.

Technological Risk Management

Technology is a dynamic term that frequently changes its shape, trend and nature. Every capital-intensive industry has to rapidly synchronize itself with technological changes and invest in sophisticated machineries. A right technology is a crucial determinant of competitiveness that ensures better products and services to the customers while minimizing costs. Adjustment to new technologies thus involves relatively large scale investments as well as a longer pay-back period.

The company is operating in an industry where technology is the key success factor. Some of the technological risks associated with the company vis-à-vis the management perception is as follows.

(a) Infrastructure Related Risk

Management always puts high focus and undertake required CAPEX to keep the infrastructure updated to ensure smooth operation.

(b) Efficient Technical Expertise

The Company is the pioneer in Bangladesh in IT industry and has built up a strong team who has been involved since the evolution of the industry. So apparently they have the most expert team in the industry to cater any technological dynamics.

(c) Up gradation of the Industry / Solutions
In line with the global financial market, Bangladesh is also adopting the upgraded solutions fast. ITC is capable to adjust and cope up with the change in industry dynamics.

(d) Product / Solution Obsolesce
ITC management believes in continuous up-gradation and continuous improvement of their offerings. Historically, ITC is the pioneer and fast mover in terms of launching new products or ideas in the market. So it is implied that the management is well cautious about their competitive edge and continuously putting efforts to assure its market leadership position.

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures and reviews the adequacy of the risk management framework in relation to risks faced or is likely to be faced by the company.

Corporate and Financial Reporting Framework
The Members of the Board, in accordance with the Bangladesh Securities & Exchange Commission Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018; hereby confirm compliance with the financial reporting framework for the following:

- The Financial Statements prepared by the Management of ITC, present its true state of affairs, the result of its operations, Cash Flows and Changes in Equity fairly and accurately.
- Proper Books of Accounts of the company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the Financial Statements and that the accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS) International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the Financial Statements and any departure there from has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There is no significant doubt on the ability of the company to continue as a going concern.
- The financial statements of the company have been prepared on a going concern basis, there are no extraordinary gain or loss or significant deviation during the financial year.

Internal Control System
The company's internal control system is commensurate with its size and business nature. The system minimizes operational risks through effective control, systematic review and on-going audit. The internal auditors embark ona comprehensive audit of all functional areas and operations and their findings are referred to the Audit Committee of the Board for due appraisal.

Board Meetings and Attendance by the Directors
During the year ended June 30, 2018, a total 05 (five) Meetings of the Board of Directors were held. Attendance by the Directors in the Board are summarized and given below:

Sl. No	Name	Number of Meeting during 2017-18	Number of Attendance During 2017-18	Remarks
1	Mr. Lim KiahMeng, Chairman (Nominated Director of SiS Capital (Bangladesh) Pte Limited	05	02	
2	Mr. Salahuddin Alamgir, Vice Chairman	05	04	
3	Mr. Kazi Saifuddin Munir, Ph.D Managing Director & CEO	05	05	
4	Mr. Lim Kia Hong, Nominated Director of SiS Capital (Bangladesh) Pte Limited	05	02	

Sl. No	Name	Number of Meeting during 2017-18	Number of Attendance During 2017-18	Remarks
5	Mr. Lim Hwee Hai, Nominated Director of SiS Capital (Bangladesh) Pte Limited	05	02	
6	Madam Lim HweeNoi, Nominated Director of SiS Capital (Bangladesh) Pte Limited	05	02	
7	Madam FauzijusTjandra Nominated Director of Regent Pacific Limited	05	02	
8	Mr. Md. Waliuzzaman FCA, Independent Director	05	05	
9	Mr. Md. Haqueful Shaikh, Independent Director	05	05	

Remuneration of Directors

No remuneration was paid to the Directors including the Managing Director & CEO for attending Board meetings, Independent Directors are however, receiving an attendance fee of Tk. 3,000 (Three Thousand) for each meeting attended.

Shareholding Pattern

Shareholding patterns of the Company as at the end of the year 2017-2018 is shown in below: The Pattern of Shareholdings as on June 30, 2018:

Sl. No.	Name	Status	Number of Share held as of 30.06.2018	% of Shareholding
A)	**Parent/Subsidiary/Associated Companies/Others Related Party:**			
	SiS Capital (Bangladesh) Pte Limited	Nominated Director	34,097,229	32.77%
	Regent Pacific Ltd.	Nominated Director	8,790,600	8.45%
B 1)	**Directors & their Spouses and Minor Children:**			
1	Mr. Kazi Saifuddin Munir, Ph.D	Managing Director & CEO & Sponsor Director	4,688,965	4.51%
2	Mr. Salahuddin Alamgir	Vice Chairman & Director	5,575,847	5.36%
3	Mr. Lim KiahMeng Nominated Director of SiS Capital (Bangladesh) Pte Limited	Chairman & Director	Nil	Nil
4	Mr. Lim Kia Hong Nominated Director of SiS Capital (Bangladesh) Pte Limited	Director		
5	Mr. Lim Hwee Hai Nominated Director of SiS Capital (Bangladesh) Pte Limited	Director		
6	Madam Lim HweeNoi Nominated Director of SiS Capital (Bangladesh) Pte Limited	Director		
7	Madam FauzijusTjandra Nominated Director of Regent Pacific Ltd	Director.		
8	Mr. Md. Waliuzzaman FCA	Independent Director	Nil	Nil
9	Mr. Md. Haqueful Shaikh	Independent Director	Nil	Nil
B 2)	**CEO, CFO, CS, HOIA and their Spouses and Minor Children:**			
	Mr. Shyamal Kanti Karmakar	Chief Financial Officer	Nil	Nil
	Mr. Anindya Sarkar ACS	Company Secretary	Nil	Nil
	Mr. Md. Mehedi Hasan	Head of Internal Audit	Nil	Nil
C)	Top 5 (Five) Executives and their Spouses and Minor Children:			
1	Mr. Osman Haidar	Director-Business	7,644	0.007%
2	Mr. Zubaer Ahmad	Head of TP & BI	20,958	0.02%
3	Mr. Md. Faizul Islam	Chief Technology Officer	Nil	Nil
4	Mr. Mahmud Al- Hasan Khan	Head of Sales & Marketing	Nil	Nil
5	Mr. Farhad Malik	Chief Operating Officer	Nil	Nil
D)	**Shareholders Holding 10% or more voting interest in the company:**			
	SiS Capital (Bangladesh) Pte Limited	Nominated Director	34,097,229	32.77%

Summary of shareholdersand range of shareholding

The shareholding distribution schedule of Information Technology Consultants Limited as on June 30, 2018 is presented as below.

On the Basis of Shareholders Type:

Group Name	Number of Shareholders	Number of Shares	Ownership (%)
Sponsors/Promoters and Directors	4	53,152,641	51.09%
Institutions	277	26,085,478	25.07%
General Public	4,082	24,813,881	23.84%
Total	**4,363**	**104,052,000**	**100%**

On the Basis of Shareholding:

Group Name	Number of Shareholders	Number of Shares	Ownership (%)
1-100	652	23,658	0.02%
101-500	993	250,757	0.24%
501-1000	833	562,336	0.54%
1001-5000	1269	2,741,185	2.64%
5001-10000	266	1,902,682	1.83%
10001-20000	139	18,42,580	1.77%
20001-above	211	96,728,802	92.96%
Total	**4,363**	**104,052,000**	**100%**

Proposed Dividend

The Board of Directors has recommended 10% Stock (Bonus) dividend to be paid to the shareholders for the year 2017-18, which is to be approved by the shareholders at the 18th AGM of the Company. The Board herewith states that no stock dividend was considered during the year as interim dividend, which fulfills condition no.1(5)(xxi) of the codes of corporate governance of BSEC.

Minority interests

In compliance with code 1(5)(xvi) of the codes of corporate governance,the Board hereby confirms that the interests of the minority shareholders have been duly protected in the Company.

Utilization of IPO Proceed:

As per BSEC consent letter noSEC/CI/IPO-234/2014/485 dated October 04, 2015 with issued & approved prospectus for IPO, the company has received a total fund of Taka 12 crores from the public for expansion of business, term loan adjustment and to meet IPO expenses. The company has used the total IPO fund as per prospectus and submitted the relevant report to the commission and stock exchanges.

Directors' Appointment & Re-appointment

With regard to the appointment, retirement and re-appointment of Directors, the Company is governed by its Articles of Association, the Companies Act, 1994 and other related legislations as per Article 125 and 126 of the Articles of Association of the Company, the following Directors retire from office by rotation at the 18th Annual General Meeting and being eligible, they have offered themselves for re-election:

Mr. Lim Kiah Meng

(Nominated Director of SiS Capital (Bangladesh) Pte Limited)

Mr. Lim Kia Hong

(Nominated Director of SiS Capital (Bangladesh) Pte Limited)

Brief profiles of the Directors being proposed for re-appointment are given at page 13 & 14 of the Annual Report, which fulfill condition no.1(5) (xxiv) of the codes of corporate governance of BSEC.

Appointment of Statutory Auditors
Under the Companies Act, 1994 and the Articles of Association, the statutory Auditors of the Company, M/s. Hussain Farhad & Co, Chartered Accountants, shall retire at this AGM. The Auditors have completed their tenure of consecutive three years in office. Accordingly, they are not eligible for re-appointment as per BSEC order dated July 27, 2011. As proposed by the Audit Committee, the Board of Directors recommends M/s. ACNABIN., Chartered Accountants for appointment as Statutory Auditors of the Company for the year 2018-19 and continuation till the next AGM at a remuneration of Tk. 330,000/- (Three Lac Thirty Thousand) only excluding VAT which is placed before the shareholders at the 18th Annual General Meeting (AGM) for approval.

Appointment of Compliance Auditors as per Code of Corporate Governance
As proposed by the Audit Committee, the Board of Directors at its meeting held on August 26, 2018 has appointed M/s. Al-Muqtadir Associates, Chartered Secretaries, as Compliance Auditors of the Company for the current year 2017-18 as per Code of Corporate Governance.

Pursuant to code 9.2 of the codes of corporate governance issued by BSEC and as proposed by the Audit Committee, the Board further recommends M/s. Al-Muqtadir Associates, Chartered Secretaries, for appointment as the Compliance Auditors of the Company for the next year 2018-19 and the same is placed herewith for approval of the shareholders at the 18th AGM.

Corporate Governance
ITC recognizes that corporate governance is a continuous process which is to be established, nurtured and excelled by means of concerted efforts of all. That is why the Company engages all its team in the process because good governance entails managing the business professionally, effectively and responsibly and in a way which is transparent, ethical, law abiding and ensures accountability. And in that pursuit, the Company has ventured to comply with all the relevant provisions of the codes of corporate governance as outlined in the BSEC gazette notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated the 3rd June 2018.The Company aspires to uphold its long acclaimed standards of good governance by standing ever alert in is management exercises.

Acknowledgement
The Board of Directors of the Company would like to extend their sincere thanks and gratitude to its stakeholders for their assistance and guidance from time to time. The Board records with high appreciation the excelled performance of the Management. The Directors of the Company express and extend their gratitude to its Customers, Financiers, Bangladesh Bank, the Bankers and Insurers of the Company, Bangladesh Securities & Exchange Commission (BSEC), Dhaka Stock Exchange (DSE), and Chattogram Stock Exchange (CSE), Registrar of Joint Stock Companies and Firms (RJSC), Central Depository Bangladesh Ltd. (CDBL) and other Regulatory Authorities for their kind guidance and support to the Company and the co-operation extended by the Auditors and the devoted efforts put in by the Company's executives & employees at all levels to uphold the Company's business performance during the year. We value their continued support to fulfill our mission to improve the lives of people at large.

For & On behalf of the Board of Directors



LIM KIAH MENG
Chairman

Date: October 25, 2018

Annexure-A
[As per condition No.1 (5) (xxvi)

Information Technology Consultants Limited
Declaration by CEO and CFO

Date: October 25, 2018

The Board of Directors
Information Technology Consultants Limited
Evergreen plaza, 260/B, Tejgaon I/A
Dhaka-1208, Bangladesh

Subject: Declaration on Financial Statements for the year ended on June 30, 2018

Dear Sirs,
Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD /2006-158/207/Admin/80 dated 03 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that.

1) The Financial Statement of Information Consultants Limited for the year ended on June 30, 2018 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2) The estimates and judgments related to the financial statements were on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented on its financial statements;
4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

i) We have reviewed the financial statements for the year ended on June 30, 2018 and that to the best of our knowledge and belief:

a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
b) These statements collectively presenttrue and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

Kazi Saifuddin Munir, Ph.D
Managing Director & CEO
Information Technology Consultants Ltd

Shyamal Kanti Karmakar
Chief Financial Officer (CFO)
Information Technology Consultants Ltd

Annexure-B
[As per condition No.1 (5) (xxvii)

Al-Muqtadir Associates
Chartered Secretaries & Consultants

Business Office
Block: D, Road: 8
House # 412, Apartment: 8
Bashundhara R/A, Dhaka-1229

Phones: 01730 340 340
01552 108 522
e-mail : akamuqtadir@gmail.com
VAT Reg : 19041063900

Report to the Shareholders of Information Technology Consultants Limited on compliance with the Corporate Governance Code

(As required under the BSEC Codes of Corporate Governance)

We have examined the compliance status to the Corporate Governance Code by Information Technology Consultants Limited (ITCL) for the year ended on 30th June 2018. This code relates to the gazette notification no: BSEC/CMRRCD/2006-158/207/Admin/80 dated the 3rd June 2018 of Bangladesh Securities and Exchange Commission (BSEC).

Such compliance with the Codes of Corporate Governance is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of Corporate Governance Code. This is a scrutiny and verification and an independent audit on compliance of the conditions of Corporate Governance as well as provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of the Corporate Governance Code.

We state that we have obtained all the information and explanations or representations, which we have required, and after due scrutiny and verification thereof, we report that in our opinion and subject to the remarks and observations as reported in the attached Compliance Statement :

(a) The Company has complied with the conditions of Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission.

(b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code.

(c) Proper books and records have been kept by the Company as required under the Companies Act 1994, the securities laws and other relevant laws, and

(d) The standard of governance in the Company is somewhat satisfactory.

This report, however, is no endorsement about quality of contents in the Annual Report of the Company for the year 2017-18.

Al-Muqtadir Associates
Chartered Secretaries & Consultants

Dhaka, October 30, 2018

A.K.A. Muqtadir FCS
CEO & Chief Consultant

Annexure-C
[As per condition No.1 (5) (xxvii)

Status of compliance with the conditions imposed by the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition NO.9)

Condition No.	Title	Compliance Status Put √ in the appropriate column		Remarks (If any)
		Compiled	Not Compiled	
1.00	**Board of Directors**			
1.(1)	Board Size (minimum - 5 and maximum - 20)	√		9 directors
1.(2)	**INDEPENDENT DIRECTORS**			
1.2.(a)	1/5th of total as Independent Director (ID)	√		2 IDs
1.2 (b) (i)	Does not hold any share of less than 1% shares in the Company	√		As declared by the IDs.
1.2(b) (ii)	Not a Sponsor of The Company	√		- do -
1.2 (b)(iii)	Who has not been an executive of the company	√		- do -
1.2 (b)(iv)	Does not have other relationship	√		- do -
1.2 (b)(v)	Not a Member, Director or Officer of nay Stock Exchange	√		- do -
1.2 (b)(vi)	Not a Shareholder, Director of Officer of any Member of Stock Exchange.	√		- do -
1.2 (b)(vii)	Not a partner of an Executive or was not a partner of an Executive during the preceding 3 (Three) years of the concerned Company's statutory audit firm.	√		- do -
1.2 (b)(viii)	Not an Independent Director in more than five listed Companies.	√		- do -
1.2 (b)(ix)	Not Convicted by a curt of competent jurisdiction as a defaulter in payment of any loan to a Bank or a Non-Bank Financial Institution.	√		- do -
1.2 (b)(x)	Not convicted for a Criminal Offence	√		- do -
1.2 (c)	Appointment by the Board and approved in AGM	√		Appointments are duly approved
1.2 (d)	Post cannot remain vacant more than 90 days	√		
1.2 (e)	Tenure of the Independent Director	√		
1.3	**QUALIFICATION OF INDEPENDENT DIRECTOR**			
1.3(a)	Independent Director shall be a knowledgeable individual	√		As declared by the IDs.
1.3(b)(i)	Business Leader who is or was a promoter or director of an unlisted company	√		- do -
1.(3)(b)(ii)	Should be a Corporate Leader/Business Leader	√		- do -
1(3)(b)(iii)	Former official of government.	√		- do -
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law	√		- do -
1(3)(b)(v)	Professional Chartered Accountant/ Secretary or equivalent qualification.	√		- do -

Condition No.	Title	Compliance Status Put √ in the appropriate column		Remarks (If any)
		Compiled	Not Compiled	
1 (3) (c)	The independent director shall have at least 10(ten) years of experiences	√		- do -
1 (3) (d)	Relaxation in special cases			N/A
1(4)	**Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer**			
1(4)(a)	The posts of Chairman of the board and Chief Executive Officer are filled by different individuals.	√		They are different individuals
1(4)(b)	This Company MD and CEO of a listed Company shall not hold the same position in another listed Company.	√		
1(4)(c)	The Chairperson shall be elected form among the non-executive directors of the company	√		He is a non-executive director
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director.	√		
1(4)(e)	In absence of Chairman etc.	√		
1(5)	**The Directors' Report to Shareholders :**			
1(5)(i)	Industry outlook and possible future developments in the industry	√		Discussed in the Directors' Report
1(5)(ii)	Segment-wise or product-wise performance	√		- do -
1(5)(iii)	Risks and concerns including internal and external risk factor.	√		- do -
1(5)(iv)	A discussion on Cost of Goods sold Gross profit Margin and Net Profit Margin.	√		- do -
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or Loss)	√		
1(5)(vi)	Basis for related party transactions-a statement of all related party transactions	√		- do -
1(5)(vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments	√		- do -
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat public Offering(RPO), Rights Offer, Direct Listing, etc.	√		- do -
1(5)(ix)	If significant variance occurs between Quarterly Financial Performance and Annual Financial Statements the management shall explain about the variance on their Annual Report	√		
1(5)(x)	Remuneration to Directors including Independent Director	√		- do -

Condition No.	Title	Compliance Status Put √ in the appropriate column		Remarks (If any)
		Compiled	Not Compiled	
1(5)(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity	√		- do -
1(5)(xii)	Proper books of account of the issuer company have been maintained	√		- do -
1(5)(xiii)	Appropriate accounting policies have been consistently applied in preparation to the financial statements and that the accounting estimates are based on reasonable and prudent judgment	√		- do -
1(5)(xiv)	International Accounting Statement (IAS) Bangladesh Accounting Standard(BAS) /International Financial Reporting standard(BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed	√		- do -
1(5)(xv)	The system of internal control is sound in design and has been effectively implemented and monitored	√		- do -
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or indirectly and have effective means of redress	√		- do -
1(5)(xvii)	There are no significant doubts upon the issuer company's ability to continue as a going concern, If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed	√		- do -
1(5)(xviii)	Significant deviations from the last year's operation results of the issuer company shall be highlighted and the reasons there of should be explained	√		- do -
1(5)(xix)	Key operating and financial data of at least preceding 5 (Five) years shall be summarized	√		- do -
1(5)(xx)	If the issuer company has not declared dividend (cash or stock)for the year, the reasons there of shall be given	√		- do -
1(5)(xxi)	Declaration that no stock div. paid as interim div.	√		- do -
1(5)(xxii)	The number of Board meetings held during the year and attendance by each Director shall be disclosed	√		- do -
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate (name wise details)	√		- do -

Condition No.	Title	Compliance Status Put √ in the appropriate column		Remarks (If any)
		Compiled	Not Compiled	
1(5)(xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details)	√		- do -
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details)	√		- do -
1(5)(xxiii)(c)	Executives	√		- do -
1(5)(1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details)	√		- do -
1(5)(xxiv)(a)	A brief resume of the director	√		- do -
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas	√		- do -
1(5)(xxiv)(c)	Names of the companies in which the person also holds the directorship and the memberships of committees of the Board	√		- do -
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements	√		- do -
1(5)(xxv)(b)	Changes in accounting policies and estimation as well as cash flows on absolute figure for such changes	√		- do -
1(5)(xxv(c)	Comparative analysis and financial position as well as cash flew for current financial year with immediate preceding five years explaining reasons	√		- do -
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	√		- do -
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe	√		- do -
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements	√		- do -
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation shall be explained to the shareholders in the next AGM	√		- do -
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(30) shall be disclosed as per Annexure-A	√		Given in the Annual Report
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed	√		Given in the Annual Report
1(6)	Meeting of the Board of Directors			
1(6)	Compliance under Bangladesh Secretarial Standards (BSS)	√		

Condition No.	Title	Compliance Status Put √ in the appropriate column		Remarks (If any)
		Compiled	Not Compiled	
1(7)	**Code of Conduct for the Chairperson, other Board members and Chief Executive Officer**			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee(NRC)	√		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior, rules and regulations , prohibition of insider trading, relationship with environment, employees, customers and suppliers, and independency.	√		
2	**Governance of Board of Directors of Subsidiary Company**			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company			N/A
2(b)	One Independent Director of holding company also in the subsidiary company			N/A
2(c)	Minutes of subsidiary company to be placed in the meeting of holding company			N/A
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company			N/A
2(e)	The Audit Committee of the holding company shall also review the financial statements in particular the investments made by the subsidiary company			N/A
3	**Managing Director (MD) or Chief Executive Officer, Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)**			
3.1	**Appointment**			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer, a Company Secretary (CS), Chief Financial Officer(CFO), and Head of Internal Audit and Compliance (HIAC)	√		
3(1)(b)	The positions of the MD,CEO,CS,CFO,HIAC shall be filled by different individuals	√		They are different persons
3(1)(c)	The MD or CEO, CS, CFO, and HIAC of a listed company shall not hold any executive position in any other company at the same time	√		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	√		

Condition No.	Title	Compliance Status Put √ in the appropriate column		Remarks (If any)
		Compiled	Not Compiled	
3(1)(e)	The MD or CEO, CS, CFO, and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the commission and stock exchange	√		No such case during the year
3.2	**Requirement to attend Board of Directors' Meetings**			
3 (2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board	√		In practice
3.3	**Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)**			
3(3)(a)(i)	The statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	√		Given in the Annual Report
3(3)(a)(ii)	The statements together present a true and fair view of the company's affairs and are in compliance	√		- do -
3(3)(b)	The MD or CEO and CFO to certify on due diligence in the Report	√		- do -
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report	√		- do -
4	**Board of Directors' Committee**			
4 (i)	Audit Committee	√		
4 (ii)	Nomination and Remuneration Committee	√		
5	**Audit Committee**			
5.1	**Responsibility to the Board of Directors**			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board	√		
5(1) (b)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business	√		
5(1) (c)	The Audit Committee shall report on its activities to the Board of Directors	√		
5.2	**Constitution of the Audit committee**			
5(2) (a)	The Audit Committee shall be composed of at least 3 (three) members	√		
5(2) (b)	Board to appoint members of the Audit Committee who shall be non-executive	√		
5(2) (c)	All members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience	√		

Condition No.	Title	Compliance Status Put √ in the appropriate column		Remarks (If any)
		Compiled	Not Compiled	
5(2) (d)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service	√		
5(2) (e)	The Company Secretary shall act as the Secretary of the Audit Committee	√		
5(2)(f)	The quorum of Audit Committee meeting shall not constitute without at least 1 (One) independent director	√		
5.3	**Chairperson of the Audit Committee**			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee who will be ID.	√		
5(3)(b)	In the absence of the Chairperson of the Audit Committee members to elect one			N/A
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM)	√		
5.4	**Meeting of the Audit Committee**			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year	√		
5(4)(b)	The quorum of the Audit Committee shall be constituted in presence of eithertwo members or two third of the members of the Audit Committee whichever is higher	√		
5.5	**Role of Audit Committee**			
5(5)(a)	Oversee the financial reporting process	√		
5(5)(b)	Monitor choice of accounting policies and principles	√		
5(5)(c)	Internal Audit and Compliance process to ensure that it is adequately resourced	√		
5(5)(d)	Performance of external auditors	√		
5(5)(e)	Hold meeting on annual financial statements before submission to the Board for approval or adoption	√		
5(5)(f)	Review the annual financial statements before submission to the Board for approval	√		
5(5)(g)	Review the Quarterly and half yearly financial statements before submission to the Board for approval	√		
5(5)(h)	The review adequacy of internal audit function	√		
5(5)(i)	Review the management's Discussion and Analysis before disclosing in the Annual Report	√		

Condition No.	Title	Compliance Status Put √ in the appropriate column		Remarks (If any)
		Compiled	Not Compiled	
5(5)(j)	Reviewstatement of all related party transactions submitted by the management	√		
5(5)(k)	Review management letters or letter of Internal Control weakness issued by statutory auditors	√		
5(5)(l)	Oversee determination of audit fees based on scope and magnitude	√		
5(5)(m)	Oversee whether IPO proceeds utilized as per the published Prospectus			N/A
5.6	**Reporting of the Audit Committee**			
5.6 (a)	**Reporting to the Board of Directors**			
5(6)(a)(i)	The Audit Committee shall report on tis activates to the Board	√		
5(6)(a)(ii)(a)	Report on conflicts of interests	√		
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process.	√		
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliance including securities related laws, relies and regulation	√		
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately	√		
5.6 (b)	**Reporting to the Authorities**			
5.7	**Reporting to the Shareholders and General Investors**			
5(7)	Reporting to the Shareholders and General Investors	√		
6	**Nomination and Remuneration Committee (NRC)**			
6.1	**Responsibility to the Board of Directors**			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	√		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications	√		
6(1)(c)	The Terms of Reference of the NRC shall be clearly set forth in writing covering the areas stated at the condition	√		
6.2	**Constitution of the NRC**			
6(2)(a)	The Committee shall comprise of at least three members including an independent director	√		
6(2)(b)	All members of the Committee shall be non-executive directors	√		

Condition No.	Title	Compliance Status Put √ in the appropriate column		Remarks (If any)
		Compiled	Not Compiled	
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board	√		
6(2)(d)	The Board shall have authority to remove and appoint any member of the committee	√		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any another cases of vacancies the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee			N/A
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert members			N/A
6(2)(g)	The company secretary shall act as the secretary of the committee	√		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director	√		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium form the company	√		
6.3	**Chairperson of the NRC**			
6(3)(a)	The Board shall select 1 (One) member of the NRC to be Chairperson of the Committee	√		
6(3)(b)	The absence of chairperson of the NRC, the remaining members may elect one of th3emselves as Chairperson for that particular meeting	√		N/A
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM)	√		
6.4	**Meeting of the NRC**			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year			to be implemented
6(4)(b)	The Chairperson of the NRC, may convene any emergency meeting			N/A
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee			N/A
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such mines shall be confirmed in the next meeting			N/A
6.5	**Role of NRC**			

Condition No.	Title	Compliance Status Put √ in the appropriate column		Remarks (If any)
		Compiled	Not Compiled	
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the share-holders	√		
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully	√		
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance	√		
6(5)(b)(i)(c)	The remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long term performance	√		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, experience etc.	√		
6(5)(b)(iii)	Identifying persons who are qualified the criteria laid down and recommend their appointment and removal to the Board.	√		
6(5)(b)(iv)	Formulatingcriteria for evaluation of performance of independent directors and the Board	√		
6(5)(b)(v)	Identifying company's needs for employees at different levels and determine their selection, transfer or replacement	√		
6(5)(b)(vi)	Developing recommending and reviewing annually the company's human resources and training policies	√		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report	√		Given in the Annual Report
7	**External or Statutory Auditors**			
7(1)(i)	External or Statutory Auditors shall not be engagedin Appraisal or valuation services or fairness opinions	√		As declared by the auditors
7(1)(ii)	External or Statutory Auditorsshall not be engagedin Financial information systems design and implementation	√		- do -
7(1)(iii)	External or Statutory Auditors shall not be engagedin Book- keeping or other service related to the account ion records	√		- do -
7(1)(iv)	External or Statutory Auditors shall not be engagedin Broker –dealer services	√		- do -
7(1)(v)	External or Statutory Auditors shall not be engagedin Actuarial services	√		- do -

Condition No.	Title	Compliance Status Put √ in the appropriate column		Remarks (If any)
		Compiled	Not Compiled	
7(1)(vi)	External or Statutory Auditorsshall not engage Internal audit services	√		- do -
7(1)(vii)	External or Statutory Auditors shall not be engagedin any services that the Audit Committee may determine	√		- do -
7(1)(viii)	External or Statutory Auditors shall not be engaged in Certification services on compliance of corporate governance	√		- do -
7(1)(ix)	External or Statutory Auditors shall not be engagedin any other service that may create conflict of interest	√		- do -
7(2)	No partner or employees of the Externalor Statutory Auditors audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company	√		- do -
7(3)	Representative of External or Statutory Auditors shall remain present in the Shareholders Meeting (Annual General Meeting or Extraordinary General Meeting)	√		- do -
8	**Maintaining a website by the company**			
8(1)	The company shall have an official website linked with that of the stock exchange	√		
8(2)	The company shall keep the website functional from the date of listing	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchanges	√		
9	**Reporting and Compliance of Corporate Governance**			
9(1)	The company shall obtain a certificate from a practicing professional firm on yearly basis regarding compliance of conditions of Corporate Governance and such certificate shall be disclosed in the Annual Report	√		Given in the Annual Report
9(2)	The professional who will provide the certificate on compliance of Corporate Governance shall be appointed by the Shareholders in the Annual General Meeting	√		To comply in the upcoming AGM
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors report whether the company has complied with these conditions	√		Given in the Annual Report

Audited Financial Statements



HUSSAIN FARHAD & CO.
CHARTERED ACCOUNTANTS

Corporate Office:
: House# 15, Road # 12, Block # F, Niketon
Gulshan-1, Dhaka-1212, Bangladesh.
: + 88 (02) 8836015-7
: + 88 (02) 8836074
: + 88 01681126120
: hfc@hfc-bd.com
: www.hfc-bd.com

INDEPENDENT AUDITOR'S REPORT

To the shareholders of
Information Technology Consultants Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Information Technology Consultants Limited (the "Company"), which comprise the Statement of Financial Position as at June 30, 2018, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act, 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the company as at June 30, 2018, and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act, 1994 and other applicable laws and regulations.

HFC | HUSSAIN FARHAD & CO.
CHARTERED ACCOUNTANTS

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: House# 15, Road # 12, Block # F, Niketon
Gulshan-1, Dhaka-1212, Bangladesh.
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: www.hfc-bd.com

Emphasis of Matter

We draw attention to note 31.01 to the financial statements which states that the Online UPS with written down value of Taka 6,891,461 were damaged due to electrical short circuit by fire on December 06, 2017. Claim of Taka 6,750,000 were made by the company vide ref no. ITCL/BGIC/IP-Asst-2/17, dated January 11, 2018 to Bangladesh General Insurance Co. Ltd. under fire policy no. BGIC/DZO/FP-0226/05/2017, dated May 22, 2017. Loss from disposal of online UPS amounting to Taka 141,461 has been recognized in the statement of profit or loss and other comprehensive income. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

We also report that:

a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

b) in our opinion, proper books of accounts as required by law have been kept by the company so far as it appeared from our examination of those books;

c) the statement of financial position, statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and

d) the expenditures incurred and payments made were for the purpose of the company's business.

Place : Dhaka
Dated: October 25, 2018

Hussain Farhad & Co.
Chartered Accountants

Information Technology Consultants Limited

Statement of Financial Position

As at 30 June 2018

	Notes	30 June 2018 Taka	30 June 2017 Taka
Assets			
Non Current Assets:			
Property, plant and equipment, net	4.00	256,141,723	248,841,236
Intangible assets, net	5.00	797,227,643	717,522,610
Capital work-in-progress	6.00	35,411,668	99,180,928
		1,088,781,034	**1,065,544,774**
Current Assets:			
Inventories	7.00	363,224,188	328,739,218
Accounts receivable	8.00	411,061,604	404,388,824
Other receivable	9.00	6,599,130	4,833,777
Advance, deposits & prepayments	10.00	580,862,079	576,145,998
Cash and cash equivalents	11.00	44,919,813	153,207,676
		1,406,666,814	**1,467,315,493**
Total Assets		**2,495,447,848**	**2,532,860,267**
Equity and Liabilities			
Shareholders' Equity:			
Share capital	12.00	1,040,520,000	1,000,500,000
Share premium	13.00	294,578,430	294,578,430
Retained earnings	14.00	130,193,039	101,917,927
Revaluation reserve	15.00	215,765,163	226,187,806
		1,681,056,632	**1,623,184,163**
Non Current Liabilities:			
Deferred tax liability	16.00	86,884,109	77,235,110
Lease finance	17.00	4,653,670	3,128,002
ITC-QOOL ATM project	18.00	20,475,000	22,575,000
		112,012,779	**102,938,112**
Current Liabilities:			
Trade payables	19.00	38,465,841	40,928,357
Bank overdraft	20.00	449,820,572	488,001,921
IPO subscription refund	21.00	115,750	125,829
Payable for expenses	22.00	47,906,926	55,741,614
Other liabilities	23.00	118,625,261	192,213,702
Current portion of long term loan	24.00	12,517,763	8,121,293
Provision for income tax	25.00	34,926,324	21,605,276
		702,378,437	**806,737,992**
Total Liabilities		**814,391,216**	**909,676,104**
Total Equity & Liabilities		**2,495,447,848**	**2,532,860,267**
Net Asset Value (NAV) per share	38.00	**16.16**	**16.22**

The annexed notes from 1 to 39 form an integral part of these financial statements.

Chairman | Managing Director & CEO | Company Secretary

As per our report of same date

Place: Dhaka
Date: October 25, 2018

HUSSAIN FARHAD & CO.
Chartered Accountants

Information Technology Consultants Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2018

	Notes	2017 - 2018 Taka	2016 - 2017 Taka
Revenue	26.00	802,592,068	1,148,441,568
Cost of services & sales	27.00	(442,779,667)	(794,448,139)
Gross Profit		**359,812,401**	**353,993,429**
Operating Expenses:			
General and administrative expenses	28.00	(115,295,027)	(113,777,046)
Selling & distribution expenses	29.00	(48,211,747)	(60,621,215)
Other operating expenses	30.00	(14,456,893)	(10,802,853)
Total Operating Expenses		**(177,963,667)**	**(185,201,114)**
Operating Profit/(Loss)		**181,848,734**	**168,792,315**
Non-operating income	31.00	603,561	815,253
Profit/(Loss) before Finance Costs		**182,452,295**	**169,607,568**
Finance costs	32.00	(48,217,354)	(51,160,565)
Finance income	33.00	14,040,620	12,534,612
Profit/(Loss) before WPPF & WF		**148,275,561**	**130,981,615**
Contribution to WPPF & WF	34.00	(7,060,741)	(6,237,220)
Profit/(Loss) before Income Tax		**141,214,820**	**124,744,395**
Provision for income tax (Current)	35.00	(13,441,222)	(10,375,285)
Provision for income tax (Deferred)	36.00	(9,648,999)	(10,622,785)
Net Profit/(Loss)		**118,124,599**	**103,746,325**
Earnings Per Share (EPS)	37.00	**1.14**	**1.04**

The annexed notes from 1 to 39 form an integral part of these financial statements.

Chairman

Managing Director & CEO

Company Secretary

As per our report of same date

HUSSAIN FARHAD & CO.
Chartered Accountants

Place: Dhaka
Date: October 25, 2018

Information Technology Consultants Limited
Statement of Changes in Equity
For the year ended 30 June 2018

Particulars	Paid-up Capital	Share Premium	Retained Earnings	Revaluation Reserve	Total Equity
	Taka	Taka	Taka	Taka	Taka
Balance as at 01 July 2017	1,000,500,000	294,578,430	101,917,927	226,187,806	1,623,184,163
Net profit for the year	-	-	118,124,599	-	118,124,599
Stock dividend (2016 - 2017)	40,020,000	-	(40,020,000)	-	-
Cash dividend (2016 - 2017)	-	-	(60,030,000)	-	(60,030,000)
Prior year adjustment	-	-	(222,130)	-	(222,130)
Transfer from revaluation reserve	-	-	10,422,643	(10,422,643)	-
Balance as at 30 June 2018	**1,040,520,000**	**294,578,430**	**130,193,039**	**215,765,163**	**1,681,056,632**

Particulars	Paid-up Capital	Share Premium	Retained Earnings	Revaluation Reserve	Total Equity
	Taka	Taka	Taka	Taka	Taka
Balance as at 01 July 2016	870,000,000	294,578,430	118,044,308	237,456,401	1,520,079,139
Net profit for the year	-	-	103,746,325	-	103,746,325
Stock dividend (2015-2016)	130,500,000	-	(130,500,000)	-	-
Prior year adjustment	-	-	(641,301)	-	(641,301)
Transfer from revaluation reserve	-	-	11,268,595	(11,268,595)	-
Balance as at 30 June 2017	**1,000,500,000**	**294,578,430**	**101,917,927**	**226,187,806**	**1,623,184,163**

The annexed notes from 1 to 39 form an integral part of these financial statements.

Chairman | Managing Director & CEO | Company Secretary

As per our report of same date

Place: Dhaka
Date: October 25, 2018

HUSSAIN FARHAD & CO.
Chartered Accountants

Information Technology Consultants Limited
Statement of Cash Flows
For the year ended 30 June 2018

	2017 - 2018 Taka	2016 - 2017 Taka
A. Cash flows from operating activities		
Cash receipts from customers/sales	803,245,719	1,180,618,019
Cash generated from/(paid to) suppliers	(426,155,756)	(626,431,019)
Cash generated from/(paid for) operating activities	(245,334,947)	(165,238,980)
Interest paid	(48,217,354)	(51,160,565)
Income taxes paid	(22,198,849)	(41,661,190)
Net cash provided by/(used in) operating activities	**61,338,813**	**296,126,265**
B. Cash flows from investing activities		
Purchase of property, plant & equipment	(23,332,523)	(10,040,034)
Purchase of property, plant & equipment - DR	(168,000)	-
Purchase of intangible assets	(27,558,491)	(36,443,022)
Purchase of property, plant & equipment - Lease assets	(3,820,680)	(6,167,318)
Purchase of property, plant & equipment (WIP)	(4,889,354)	(23,091,716)
Purchase of property, plant & equipment - DR (WIP)	(176,500)	-
Purchase of intangible assets (WIP)	(30,345,814)	(75,950,612)
Proceeds from disposal of property, plant & equipment	250,189	49,876
Interest received	14,040,620	12,534,612
Net cash provided by/(used in) investing activities	**(76,000,553)**	**(139,108,214)**
C. Cash flows from financing activities		
Proceeds from/(Payment of) IPO subscription refund	(10,079)	(801,256)
Proceeds from/(Payment of) secured loan	3,690,453	(13,479,772)
Proceeds from/(Payment of) lease liabilities	2,231,685	3,852,307
Proceeds from/(Payment of) bank overdraft	(38,181,349)	(36,084,539)
Payment of dividend	(59,256,833)	-
Proceeds from/(Payment of) ITC-QOOL ATM project	(2,100,000)	(3,675,000)
Net cash provided by/(used in) financing activities	**(93,626,123)**	**(50,188,260)**
D. Net changes in cash and cash equivalents (A+B+C)	(108,287,863)	106,829,791
E. Cash and cash equivalents at beginning of the year	153,207,676	46,377,885
F. Cash and cash equivalents at end of the year	**44,919,813**	**153,207,676**
Net Operating Cash Flows Per Share (NOCFPS)	0.59	2.96

The annexed notes from 1 to 39 form an integral part of these financial statements.

Chairman | Managing Director & CEO | Company Secretary

As per our report of same date

Place: Dhaka
Date: October 25, 2018

HUSSAIN FARHAD & CO.
Chartered Accountants

Information Technology Consultants Limited
Notes to the Financial Statements
For the year ended 30 June 2018

1. Reporting entity

1.1 Company profile

Information Technology Consultants Ltd. was incorporated as a private company limited by shares registered under the Companies Act, 1994, vide certificate of incorporation no: C-41094(453)/2000, dated: 23 August, 2000 and converted to "Public" Limited company on 16 March 2008. The registered office of the company is located at Evergreen Plaza (3rd Floor), 260/B, Tejgaon I/A, Dhaka - 1208.

1.2 Nature of business

The business of the company interalia includes online Switching Solution, Software Development and Service Provider of Q-cash member banks shared ATM network.

Information Technology Consultants Ltd. is committed to be the leader as Smart Card Solutions Provider in the Banking sector as well as the Automated Transaction Processing Industry in Bangladesh.

2. Basis of preparation

2.1 Statement of compliance

The financial statements of the company under reporting have been prepared in accordance with BAS-1 "Presentation of Financial Statements" under historical cost convention in a going concern basis and on accrual basis. The preparation and disclosures have been made to the financial statements in accordance with the Companies Act, 1994, Bangladesh Securities and Exchange Commission Rules, 1987, International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB), as Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and other applicable laws and regulations.

The financial statements were authorized for issue by the Board of Directors on 25 October 2018.

2.2 Application of standards

The following BAS are applicable for the financial statement for the period under review:

BAS - 1 Presentation of Financial Statements
BAS - 2 Inventories
BAS - 7 Statement of Cash Flows
BAS - 8 Accounting Policies, Changes in Accounting Estimates and Errors
BAS - 10 Events after the Reporting Period
BAS - 12 Income Taxes
BAS - 16 Property, Plant and Equipment
BAS - 17 Leases
BAS - 18 Revenues
BAS - 19 Employee Benefits
BAS - 21 The Effects of Changes in Foreign Exchange Rates
BAS - 23 Borrowing Costs
BAS - 24 Related Party Disclosures
BAS - 32 Financial Instruments - Presentation
BAS - 33 Earnings Per Share
BAS - 36 Impairment of Assets
BAS - 37 Provisions, Contingent Liabilities and Contingent Assets
BAS - 38 Intangible Assets

2.3 Basis of measurement

The elements of financial statements have been measured on "Historical Cost" basis, which is one of the most commonly adopted base as provided in the "the framework for the preparation and presentation of financial statements" issued by the International Accounting Standards Committee (IASC).

2.4 Functional and presentational currency and level of precision

These financial statements are presented in Bangladeshi Taka (Taka/Tk./BDT) which is both functional currency and presentation currency of the company. The amounts in these financial statements have been rounded off to the nearest Taka.

2.5 Use of estimates and judgments

The preparation of financial statements in conformity with the Bangladesh Accounting Standards requires management to make estimates and assumption that affect the report, amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenue and expenses during the year reported. Actual results could differ from those estimates. Estimates are used for accounting of certain terms such as long term contracts, provision for doubtful accounts, depreciation and amortization, employees' benefit plans, taxes reserves and contingencies.

2.6 Reporting period

These Financial Statements of the company cover the year ended 30 June 2018.

2.7 Presentation of financial statements

According to the International Accounting Standard (IAS) - 1 adopted by the ICAB as BAS - 1 "Presentation of Financial Statements" the complete set of Financial Statements includes the following components:

i) Statement of Financial Position;

ii) Statement of Profit or Loss and Other Comprehensive Income;

iii) Statement of Changes in Equity;

iv) Statement of Cash Flows; and

v) Notes, comprising a summary of significant accounting policies and other explanatory information.

2.8 Responsibility for preparation and presentation of financial statements

The management of the company is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act, 1994 and as per the provision of "the conceptual framework for financial reporting".

2.9 Going concern

The company has adequate resources to continue its operation of foreseeable future and hence, the financial statements have been prepared on going concern basis. As per management assessment, there is no material uncertainties related to event or condition which may cast significant doubt upon the company's ability to continue as a going concern.

3. Significant accounting policies

The accounting policies set out below have been applied to the accounts consistently to all periods presented in these financial statements.

3.1 Property, plant & equipment

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner.

(b) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day to day servicing of property, plant and equipment are expensed when incurred.

(c) Revaluation of fixed assets
The company had revalued its fixed assets in the year 2009-2010 viz, Plant & Machinery, ATM Machine, POS Terminal, Card Printers, Q-cash retailer POS software, ATM Software, Switching Software, POS Software and Software Development by a competent consultant M/s. Ahmed & Akter, an independent Chartered Accountants firm who have no interest in the assets of the company.

(d) Depreciation
Depreciation is charged on the basis of diminishing balance method on all tangible assets over their estimated useful economic lives.

The depreciation rates applicable to the principal categories of fixed assets are:-

Name of assets	Rate
Plant & Machinery	15%
ATM Machinery	15%
POS Terminal	15%
Card Printer	15%
Data Centre	10%
Furniture & Fixture	10%
Computer & Components	15%
Office Equipment	15%
Operating Equipment	15%
Office Decoration	10%
ATM Booth	15%
Generator	10%
Online UPS	10%
Switching Hardware	10%
Network Solutions (CISCO)	10%
Power Sub Station	10%
Power System	10%
Structure Cabling	10%
Call Centre	10%
Web Application Firewall	15%
Vehicles	20%

(e) Retirements and disposals
An asset is derecognized upon disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as gain or loss from disposal of asset under other income in the statement of comprehensive income.

(f) Capital work in progress
Capital work in progress consists of acquisition costs of plant and machinery, capital components and related installation cost until the date placed in service.

3.2 Intangible assets

(a) Recognition and measurement
The cost of intangible assets are capitalized provided they meet the recognition criteria specified by BAS-38. Capitalization costs include license fees & cost of implementation / system integration services which are capitalized during the period in which the relevant softwares are installed for use. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the assets for its intended use.

(b) Subsequent costs
Subsequent cost/expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. Cost of maintenance, upgrading and enhancements are charged off as revenue expenditure unless they bring similar significant additional long term benefits.

(c) Amortization
Amortization of the intangible asset is recognized on the basis of the expected pattern of consumption of the projected future economic benefits embodied in the asset and is applied during the year. Amortization of intangible assets is charged under straight line method.

The amortization rates applicable to the principal categories of intangible assets are:-

Name of assets	Rate
Accounting Software	20%
ATM Software	2.5%
Mobile Banking Software	5%
Oracle Software	5%
PCCI DSS Security Compliance Software License	5%
POS Software	5%
Q Cash E Portal Software Development	5%
Q Cash Retailer POS Software	5%
Software Development	2.5%
Switching Software	2.5%
Call Centre	5%
VMware Software	5%
Issue Tracking Software (JIRA)	5%
E Traffic Web Application	5%

3.3 Inventories
Inventories are valued at the lower of cost or net realizable value. The cost is assigned following weighted average cost formula. As per BAS 2 "Inventories" Net realizable value is determined by deducting estimated cost of completion and cost of sales from the estimated sales of the related items.

3.4 Provisions
A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditures expected to be required to settle the obligation.

3.5 Employee benefits

Workers' Profit Participation Fund (WPPF)
This represents 5% of net profit before tax contributed by the company as per provisions of Bangladesh Labour (Amendments) Act, 2013 and is payable to employees as defined in the said law.

3.6 Contingencies
Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence of one or more uncertain future events which are not within the control of the company. In accordance with BAS 37, there is no contingent liability or asset during the year ended 30 June 2018.

3.7 Revenue recognition

The revenue during the year represents revenue arising from various services of electronic transaction processing under Q-cash Shared ATM Network and from the sale of ATM, KIOSK, POS which are recognized when deliveries are made against the sales order received from the respective bank clients and after satisfying all the conditions for revenue recognition as provided in BAS 18 “Revenues.”

"A. Accounting policies for recognition of service revenue"

(i) reliably measure the amount of service revenue;

(ii) economic benefit of service revenue flow to the entity;

(iii) reliably measure the stage of completion of service revenue at the end of reporting period; and

(iv) reliably measure the costs incurred for service revenue.

"B. Accounting policies for recognition of sales revenue"

(i) transfer significant risks & rewards of ownership of the goods;

(ii) does not have effective control over the goods sold;

(iii) reliably measure the amount of sales revenue;

(iv) reliably measure the cost incurred or to be incurred; and

(v) economic benefit of sales revenue flow to the entity.

3.8 Income Tax

Income tax expenses comprises current and deferred taxes. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

(a) Current tax

Provision for current tax has been made as prescribed in the **Finance Act 2018** and the Income Tax Ordinance & Rules, 1984 on the taxable profit made by the company in compliance with BAS 12, "Income Taxes".

The company is an Information Technology Enable Service (ITES) provider. So, there is considerable uncertainty towards execution tax assessment under para-33 of part-A of the 6th schedule of the Income Tax Ordinance, 1984 up to 30th day of June, 2024 i.e the expiry of the tax exemption period. In addition, the Commissioner of taxes (appeals), Tax Appeal Zone-03, Dhaka has given an appeal order dated 12.08.2018 regarding tax benefit of the company income tax assessment of the financial year 2011-2012 to 2015-2016. Which has under processed for crediting in favor of the company. The company would like to make necessary adjustment once the matter will be finalized. Further, the tax assessment of the financial year 2016-2017 is under process.

(b) Deferred tax

Deferred tax is recognized in compliance with BAS-12 Income Taxes, providing for temporary difference between the carrying amounts of assets and liabilities for financial reporting purpose and amounts used for taxation purpose. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted by the date of statement of financial position. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

The Company has made adequate provision for deferred tax for the year ended 30 June 2018 in compliance with BAS 12, "Income Taxes".

3.9 Foreign currency transactions

Transactions denominated in foreign currencies are translated into Bangladesh Taka and recorded at rates of exchange ruling on the date of transaction in accordance with BAS 21.

3.10 Finance income and expenses

Finance income comprises interest income which is recognized on accrual basis.
Finance expenses comprise interest expense on loan and overdraft. All borrowing costs are recognized in the statement of profit or loss and other comprehensive income.

3.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.11.1 Financial assets

Financial assets carried in the statement of financial position include cash and cash equivalents, trade and other receivables, other long term receivables and deposits.

(a) Cash and cash equivalents

According to BAS 7 "Statement of Cash Flows", cash comprises of cash in hand and demand deposit and cash equivalents which are of short term, highly liquid investments that are readily convertible to know amount of cash which are subject to an insignificant risk of changes in value, BAS 1 "Presentation of Financial Statements" also provides that cash equivalents are those which have no restriction in use considering the provision of BAS 7 and BAS 1. Cash in hand and bank balance have been considered as cash and cash equivalents.

(b) Accounts receivable

Accounts receivable are created based on original invoice amount and accrued income which is still not billed to customer.

3.11.2 Financial liability

The company initially recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. Financial liabilities include trade and other payables and other current liabilities.

(a) Trade and other payables

Trade and other payables are recognized when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the Company of resources embodying economic benefits. Trade and other payable are recognized initially at fair value.

(b) Loans and borrowings

Principal amounts of the loans and borrowings are stated at their amortized amount. Borrowings repayable after twelve months from the date of statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of statement of financial position, unpaid interest and other charges are classified as current liabilities.

3.12 Impairment of assets

As all assets of the company shown in the financial statement that are within the scope of BAS – 36 are in physical existence and valued no more than their recoverable amount following International Accounting Standards adopted in Bangladesh, disclosures with regard to "Impairment of Assets" as per BAS - 36 have not been considered necessary.

3.13 Statements of cash flows

Statements of Cash Flows is prepared principally in accordance with BAS - 7 Statements of Cash Flows shows how the company's cash and cash equivalents changed during the period through inflows and outflows and it has been presented under direct method.

3.14 Earnings per share

The company calculates Earnings Per Share (EPS) in accordance with BAS - 33; Earnings per Share, which has been shown on the face of Statement of Profit or Loss and Other Comprehensive Income and the computation of EPS is stated in note 37.00.

Basic earnings
This represents earnings for the period attributable to ordinary shareholders. As there was no preference dividend, minority or extra ordinary items, the net profit after tax for the period has been considered as fully attributable to the Ordinary Shareholders.

Basic earnings per share
This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding as on 30 June 2018.

Weighted average number of ordinary shares outstanding during the period
This represents the number of ordinary shares outstanding at the beginning of the year plus the number of shares issued during the year multiplied by a time-weighting factor. The time weighting factor is the numbers of days the specific shares are outstanding as a proportion of the total number of days in the period.

Diluted earnings per share
No diluted earnings per share are required to be calculated per year as there was no scope for dilution during the period.

3.15 Events after the reporting period
The Board of Directors of the Company recommended 10% Stock (Bonus) dividend for the year ended 30 June 2018 at the Board meeting held on 25 October 2018. The dividend is subject to final approval by the Shareholders at the forthcoming Annual General Meeting (AGM) of the Company.

However, subsequent events are events after balance sheet date as defined in BAS 10. Any material event after balance sheet adjusting or non-adjusting are adjusted and disclosed.

3.16 Comparatives and rearrangement
Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current financial statements.

3.17 Related party transactions
During the period the company carried out a number of transactions with related parties in the normal course of business and on an arm's length basis. The name of related parties, nature of transactions, their total value and closing balance have been set out in accordance with the provision of BAS-24.

3.18 Financial Risk Management
The management has overall responsibility for the establishment and oversight of the company's risk management frame work. The company has exposure to the following risks from its use of financial instruments.

(a) Credit Risk;

(b) Liquidity Risk; and

(c) Market Risk.

(a) Credit Risk
Credit risk represents the financial loss to the company if a customer or counterparty to a financial instrument fail to meet its contractual obligations. It mainly comprises of trade receivables , advances to suppliers, trade deposits and bank balances. the company's maximum exposure to credit risk at the reporting date is trade receivables which is also secured by agreement with the clients & member banks also.

(b) Liquidity Risk
Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company maintains sufficient resources and arrangement of credit lines with the various banks for managing its liquidly risk.

(c) Market Risk
Market risk is that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, interest rates and other price risks. The objective of market risk management is to manage and control market risk exposures within an acceptable range.

3.19 Technological Risk Management

Technology is a dynamic term that frequently changes its shape and nature. Every capital-intensive industry has to rapidly synchronize itself with technological changes and invest in sophisticated machineries. A right technology is a crucial determinant of competitiveness that ensures better products and services to the customers while minimizing costs. Adjustment to new technologies thus involves relatively large scale investments as well as a longer pay-back period.

The company is operating in an industry where technology is the key success factor. Some of the technological risks associated with the company vis-à-vis the management perception is as follows.

(a) Infrastructure Related Risk
Management always put high focus and undertake required CAPEX to keep the infrastructure updated to ensure smooth operation.

(b) Efficient Technical Expertise
The Company is the pioneer in Bangladesh in IT industry and has built up a strong team who has been involved since the revolution of the industry. So apparently they have the most expert team in the industry to cater any technological dynamics.

(c) Upgradation of the Industry / Solutions
In line with the global financial market, Bangladesh is also adopting the upgraded solutions fast. ITCL is capable to adjust and cope up with the change in industry dynamics.

(d) Product / Solution Obsolesce
ITCL management believes in continuous upgradation and continuous improvement of their offerings. Historically they were pioneer and fast mover in terms of launching new products or ideas in the market. So it is implied that the management is well cautious about their competitive edge and continuously putting effort to assure its market leader position.

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures and reviews the adequacy of the risk management framework in relation to risk faced by the company.

3.21 Number of Employees

During the year ended 30 June 2018 the company had 357 (30 June 2017: 337) employees who received a salary of Tk.3,600/- and above per annum and there were no employees who received a salary less than Tk. 36,000/- per annum.

4.00 Property, plant and equipment, net as at 30 June 2018

Particulars	Cost/Revaluation				Depreciation					Net book value As at 30 June 2018
	As at 01 July 2017	Addition during the year	Sales/Disposal during the year	As at 30 June 2018	Rate	As at 01 July 2017	Addition Charged during the year	Sales/Disposal during the year	As at 30 June 2018	
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	Taka
ATM booth	14,026,316	-	-	14,026,316	15%	8,203,979	873,348	-	9,077,327	4,948,989
ATM machinery	158,048,468	11,641,017	-	169,689,485	15%	103,696,927	8,152,728	-	111,849,655	57,839,830
Card printer	29,386,311	5,221,436	-	34,607,747	15%	16,708,216	2,684,928	-	19,393,144	15,214,603
Computer & components	48,671,658	2,900,318	-	51,571,976	15%	32,584,963	2,792,527	-	35,377,490	16,194,486
Data centre	12,038,187	6,712,582	-	18,750,769	10%	4,213,248	1,133,508	-	5,346,756	13,404,013
Furniture & fixture	7,363,470	2,882,332	-	10,245,802	10%	4,624,271	557,324	-	5,181,595	5,064,207
Generator	14,800,000	-	-	14,800,000	10%	6,934,672	786,528	-	7,721,200	7,078,800
Network solution (CISCO)	8,131,398	541,812	-	8,673,210	10%	3,132,117	538,056	-	3,670,173	5,003,037
Office decoration	32,890,300	5,354,561	-	38,244,861	10%	16,483,658	2,162,521	-	18,646,179	19,598,682
Office equipment	33,951,833	2,918,019	-	36,869,852	15%	23,954,842	1,916,849	-	25,871,691	10,998,161
Online UPS	15,411,100	7,348,148	13,650,000	9,109,248	10%	6,931,968	1,042,673	6,758,539	1,216,102	7,893,146
Operating equipment	6,919,886	916,066	-	7,835,952	15%	3,233,974	687,478	-	3,921,452	3,914,500
Plant & machinery	34,686,637	-	-	34,686,637	15%	17,905,590	2,517,156	-	20,422,746	14,263,891
POS terminal	44,842,408	-	528,223	44,314,185	15%	20,457,008	3,654,225	280,471	23,830,762	20,483,423
Power sub station	2,460,500	-	-	2,460,500	10%	1,152,884	130,764	-	1,283,648	1,176,852
Power system	11,921,101	-	-	11,921,101	10%	4,881,810	703,932	-	5,585,742	6,335,359
Structure cabling	4,871,624	75,548	-	4,947,172	10%	1,994,976	295,224	-	2,290,200	2,656,972
Switching hardware	17,822,392	51,000	-	17,873,392	10%	6,325,616	1,154,772	-	7,480,388	10,393,004
Call centre	100,000	-	-	100,000	10%	34,392	6,564	-	40,956	59,044
Web application firewall	83,300	-	-	83,300	15%	32,136	7,680	-	39,816	43,484
Vehicles	104,979	-	104,976	3	20%	37,800	11,200	49,000	-	3
Sub total (a)	**498,531,868**	**46,562,839**	**14,283,199**	**530,811,508**	**--**	**283,525,047**	**31,809,985**	**7,088,010**	**308,247,022**	**222,564,486**

Particulars	Cost/Revaluation				Depreciation					Net book value As at 30 June 2018
	As at 01 July 2017	Addition during the year	Sales/Disposal during the year	As at 30 June 2018	Rate	As at 01 July 2017	Charged during the year	Sales/Disposal during theyear	As at 30 June 2018	
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	Taka
Disaster Recovery Centre										
Switching hardware	25,906,828	-	-	25,906,828	10%	4,836,192	2,107,068	-	6,943,260	18,963,568
Generator	1,698,025	-	-	1,698,025	10%	322,620	137,544	-	460,164	1,237,861
Office decoration	663,337	-	-	663,337	10%	126,036	53,736	-	179,772	483,565
Office equipment	2,548,454	-	-	2,548,454	15%	707,196	276,192	-	983,388	1,565,066
Furniture & fixture	167,040	-	-	167,040	10%	31,740	13,536	-	45,276	121,764
Structure cabling	2,168,517	-	-	2,168,517	10%	412,020	175,644	-	587,664	1,580,853
Firewall & router	380,000	168,000	-	548,000	10%	72,204	39,180	-	111,384	436,616
Online UPS	1,800,000	-	-	1,800,000	10%	342,000	145,800	-	487,800	1,312,200
Sub total (b)	35,332,201	168,000	-	35,500,201	--	6,850,008	2,948,700	-	9,798,708	25,701,493
Lease Assets										
Vehicle	6,167,318	3,820,680	-	9,987,998	20%	815,096	1,297,158	-	2,112,254	7,875,744
Sub total (c)	6,167,318	3,820,680	-	9,987,998	--	815,096	1,297,158	-	2,112,254	7,875,744
Grand total (a+b+c)	**540,031,387**	**50,551,519**	**14,283,199**	**576,299,707**	**--**	**291,190,151**	**36,055,843**	**7,088,010**	**320,157,984**	**256,141,723**

as at 30 June 2017

Particulars	Cost/Revaluation				Depreciation					Net book value As at 30 June 2017
	As at 01 July 2016	Addition during the year	Sales/Disposal during the year	As at 30 June 2017	Rate	As at 01 July 2016	Charged during the year	Sales/Disposal during theyear	As at 30 June 2017	
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	Taka
2016-2017	**504,747,328**	**35,336,560**	**52,501**	**540,031,387**	**--**	**254,669,493**	**36,523,283**	**2,625**	**291,190,151**	**248,841,236**

5.00 Intangible assets, net as at 30 June 2018

Particulars	Cost/Revaluation				Amortization					Net book value As at 30 June 2018
	As at 01 July 2017	Addition during the year	Sales/Disposal during the year	As at 30 June 2018	Rate	As at 01 July 2017	Charged during the year	Sales/Disposal during the year	As at 30 June 2018	
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	Taka
Accounting software	90,000	-	-	90,000	20%	72,000	18,000	-	90,000	-
ATM software	227,672,346	18,589,789	-	246,262,135	2.5%	15,593,866	5,691,804	-	21,285,670	224,976,465
Mobile banking software	1,000,000	-	-	1,000,000	5%	200,010	50,004	-	250,014	749,986
Oracle software	7,646,500	-	-	7,646,500	5%	1,529,288	382,320	-	1,911,608	5,734,892
PCI DSS security compliance										
software	1,129,800	-	-	1,129,800	5%	225,975	56,496	-	282,471	847,329
POS software	60,369,192	-	-	60,369,192	5%	5,637,000	3,018,456	-	8,655,456	51,713,736
Q cash e portal software										
development	1,108,060	-	-	1,108,060	5%	221,615	55,404	-	277,019	831,041
Q cash retailer POS software	8,449,820	-	-	8,449,820	5%	1,689,977	422,496	-	2,112,473	6,337,347
Software development	149,991,981	18,183,819	-	168,175,800	2.5%	13,598,838	4,092,282	-	17,691,120	150,484,680
Switching software	326,057,140	65,345,495	-	391,402,635	2.5%	29,944,939	9,785,064	-	39,730,003	351,672,632
Call centre	1,054,000	-	-	1,054,000	5%	210,810	52,704	-	263,514	790,486
VMware software	870,700	-	-	870,700	5%	130,608	43,536	-	174,144	696,556
Issue tracking software (JIRA)	1,000,000	-	-	1,000,000	5%	150,011	50,004	-	200,015	799,985
E traffic web application	320,000	1,390,000	-	1,710,000	5%	31,992	85,500	-	117,492	1,592,508
Total	**786,759,539**	**103,509,103**	**-**	**890,268,642**	**--**	**69,236,929**	**23,804,070**	**-**	**93,040,999**	**797,227,643**

as at 30 June 2017

Particulars	Cost/Revaluation				Amortization					Net book value As at 30 June 2017
	As at 01 July 2016	Addition during the year	Sales/Disposal during the year	As at 30 June 2017	Rate	As at 01 July 2016	Charged during the year	Sales/Disposal during the year	As at 30 June 2017	
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	Taka
2016-2017	**697,604,365**	**89,155,174**	**-**	**786,759,539**	**--**	**48,389,558**	**20,847,371**	**-**	**69,236,929**	**717,522,610**

	30 June 2018 Taka	30 June 2017 Taka
6.00 Capital work in progress		
Property, plant & equipment:		
Opening balance	23,230,316	18,310,980
Add: Addition during the year		
Card printer	-	5,221,436
Computer & component	1,242,811	2,021,408
Data centre	832,250	307,701
Furniture & fixture	105,909	2,785,668
Network solution (CISCO)	1,662,257	220,680
Office decoration	383,980	5,082,626
Office equipment	592,955	2,645,960
Online UPS	-	3,801,188
Operating equipment	69,192	878,501
Structure cabling	-	75,548
Switching hardware	-	51,000
	4,889,354	23,091,716
	28,119,670	41,402,696
Less: Transfer to property, plant & equipment	(23,230,316)	(18,172,380)
	4,889,354	23,230,316
Property, plant & equipment-DR:		
Opening balance	-	956,828
Add: Addition during the year		
Network solution (CISCO)	109,000	-
Office decoration	67,500	-
	176,500	-
	176,500	956,828
Less: Transfer to property, plant & equipment-DR	-	(956,828)
	176,500	-
Intangible assets:		
Opening balance	75,950,612	52,712,152
Add: Addition during the year		
Software development	-	9,215,117
Switching software	30,345,814	65,345,495
E-traffic web application	-	1,390,000
	30,345,814	75,950,612
	106,296,426	128,662,764
Less: Transfer to intangible assets	(75,950,612)	(52,712,152)
	30,345,814	75,950,612
	35,411,668	**99,180,928**

The Company has procured the above mentioned assets for its infrastructure development & upgradation time to time during the year, which are installed but yet to be operational due to its nature of business. After operational the value of those assets (tangible & intangible) would be transferred to the respective assets arena of the company.

07.00 Inventories as at 30 June 2018

Inventory items	Balance as at 01 July 2017		Addition during the year		Consumption during the year		Balance as at 30 June 2018	
	Quantity	Taka	Quantity	Taka	Quantity	Taka	Quantity	Taka
Finished goods								
Stock in trade - ATM	101	37,945,249	220	96,579,743	267	104,698,519	54	29,826,473
Stock in trade - Anti-skimming device	31	1,721,198	120	7,450,963	132	8,018,048	19	1,154,113
Stock in trade - TMD device (Anti skimming)	1	96,491	0	-	0	-	1	96,491
Stock in trade - TMD security device (Antiskimming)	0	-	15	227,353	0	-	15	227,353
Stock in trade - KIOSK	33	8,575,791	0	-	0	-	33	8,575,791
Stock in trade - Verifone POS	266	5,477,300	28	247,752	279	5,592,327	15	132,725
Stock in trade - SAND POS	374	8,592,194	2	50,000	374	8,596,225	2	45,969
Stock in trade - Finger vein	130	1,682,552	0	-	0	-	130	1,682,552
Stock in trade - Biometric device	1550	6,429,166	5455	26,530,087	5900	27,576,645	1105	5,382,608
Stock in trade - Finger print reader	9	23,460	0	-	0	-	9	23,460
Stock in trade - UPS	0	-	1	259,794	0	-	1	259,794
Q Pay - i Top Up	-	438,104	-	7,652,059	-	7,586,353	-	503,810
Q Pay - Top Up	-	457,064	-	4,934,365	-	5,188,775	-	202,654
Q Pay - Telecharge	-	88,280	-	806,643	-	791,181	-	103,742
Q Pay - Flexiload	-	1,155,930	-	23,030,110	-	23,547,718	-	638,322
Q Pay - EasyLoad	-	-	-	361,131	-	264,609	-	96,522
Sub total (a)		**72,682,779**		**168,130,000**		**191,860,400**		**48,952,379**
Store materials								
ATM spare parts	-	144,878,040	-	39,816,579	-	1,433,327	-	183,261,292
KIOSK/CDM spare parts	-	9,506,539	-	-	-	676,176	-	8,830,363
POS spare parts	-	251,411	-	29,164,220	-	282,777	-	29,132,854
Card printer spare parts	-	2,031,520	-	-	-	1,209,935	-	821,585
VISA card	47615	7,142,260	0	-	12000	1,800,000	35615	5,342,260
Ribbon	48	214,080	198	871,200	59	260,291	187	824,989
Plastic card	100000	3,468,241	0	-	100000	3,468,241	0	-
Pin mailer	100000	538,457	0	-	100000	538,457	0	-
Sub total (b)		**168,030,548**		**69,851,999**		**9,669,204**		**228,213,343**
Stock in Transit								
LC for ATM	-	19,538,088	-	-	-	-	-	-
LC for ATM software	-	25,867,161	-	-	-	-	-	-
LC for POS (LC # 10012)	-	-	-	-	-	-	-	1,735,515
LC for switching software (LC#10020;10153;10179 & 10204)	-	42,620,642	-	-	-	-	-	83,658,719
LC for card printer (LC # 00007)	-	-	-	-	-	-	-	664,232
Sub total (c)		**88,025,891**		**-**		**-**		**86,058,466**
Total inventory (a + b + c)		**328,739,218**		**237,981,999**		**201,529,604**		**363,224,188**

			30 June 2018 Taka	30 June 2017 Taka
8.00	**Accounts receivable**			
	ATM software support & maintenance receivable		16,656,768	19,384,455
	Card charge receivable	8.01	68,481,642	50,972,076
	Connectivity charge receivable	8.02	5,147,137	6,240,940
	Transaction charge receivable	8.03	29,036,036	34,842,649
	Servicing & maintenance charge receivable	8.04	122,152,015	87,883,971
	Sales receivable	8.05	162,639,423	205,064,733
	Others	8.06	6,948,583	-
			411,061,604	**404,388,824**
8.01	**Card charge receivable**			
	SEQAEP card charge receivable		1,393,450	1,393,450
	Card annual charge receivable		30,351,983	23,550,151
	Card renewal charge receivable		36,736,209	26,028,475
			68,481,642	**50,972,076**
8.02	**Connectivity charge receivable**			
	ATM link connectivity charge receivable		177,499	1,149,186
	VISA connectivity charge receivable		4,969,638	5,091,754
			5,147,137	**6,240,940**
8.03	**Transaction charge receivable**			
	ATM transaction charge receivable		9,380,497	13,965,073
	POS transaction charge receivable		13,373,616	16,419,611
	Q Pay transaction charge receivable		16,080	-
	Card cheque transaction charge receivable		907,102	563,220
	Fund transfer transaction charge receivable		53,100	63,540
	Insurance premium transaction charge receivable		236,556	120,936
	SMS management charge receivable		437,750	318,000
	SMS service charge receivable		4,631,335	3,392,269
			29,036,036	**34,842,649**
8.04	**Servicing & maintenance charge receivable**			
	ATM servicing & maintenance charge receivable		84,488,138	49,452,825
	NCR ATM switching software service charge receivable		258,000	222,000
	ATM booth servicing & maintenance charge receivable		3,949,439	6,199,103
	KIOSK servicing & maintenance charge receivable		4,196,333	2,938,973
	UPS servicing & maintenance charge receivable		3,399,276	1,688,207
	POS servicing & maintenance charge receivable		2,308,497	4,323,435
	ATM booth construction charge receivable		4,250,000	-
	Tranzware retail re-installation charge receivable		109,500	139,500
	Switching software service charge receivable		19,192,832	22,919,928
			122,152,015	**87,883,971**
8.05	**Sales receivable**			
	ATM sales receivable		145,521,827	176,224,802
	Anti skimming device sales receivable		7,692,346	10,626,073
	KIOSK sales receivable		3,185,250	3,185,250
	POS sales receivable		75,000	8,519,084
	Switching software sales receivable		-	344,524
	UPS sales receivable		6,165,000	6,165,000
			162,639,423	**205,064,733**
8.06	**Others**			
	Superior Electronics Pvt Ltd		3,583	-
	Receivable against vehicle		195,000	-
	Receivable against insurance claim*		6,750,000	-
			6,948,583	**-**

			30 June 2018 Taka	30 June 2017 Taka

* UPS with written down value of Tk. 6,891,461/= has been damaged due to electrical short circuit by fire on December 06, 2017. A claim of Tk. 6,750,000/= were made to Bangladesh General InsuranceCompany Limited (BGIC) under policy no. BGIC/DZO/FP-0226/05/2017 against coverage/insured value of Tk 8,714,665/= as on May 28, 2017.

9.00 Other receivable

TRUST Bank Limited (FDR A/C : 30060) - Interest		923,504	586,510
TRUST Bank Limited (FDR A/C : 21516) - Interest		5,675,626	4,247,267
		6,599,130	**4,833,777**

10.00 Advance, deposits & prepayments

Advance	10.01	268,189,183	253,421,915
Advance against office rent	10.02	7,625,737	10,518,133
Bank guarantee margin	10.03	9,794,443	9,635,117
Security deposit (Non interest bearing)	10.04	3,539,641	3,499,641
Fixed deposit receipt (FDR)	10.05	229,953,503	219,027,018
Prepayments	10.06	4,806,882	3,831,791
Deferred expenses	10.07	56,952,690	76,212,383
		580,862,079	**576,145,998**

10.01 Advance

Advance to suppliers	10.01.01	39,072,763	56,017,013
Advance against purchase		820,076	176,662
Advance to employees		1,856,000	1,415,000
Advance income tax (AIT)	10.01.02	199,449,250	177,250,401
VAT deduction at source	10.01.03	7,474,791	6,732,618
VAT current account		19,516,303	11,830,221
		268,189,183	**253,421,915**

All the above advances, deposits and prepayments are considered as good and secured by the company's management.

10.01.01 Advance to suppliers

ECSAS Computers & Equipment	-	900,000
Leads Corporation	2,450,000	-
Move International	2,317,941	2,595,294
LOS Technology Ltd	18,860,000	6,856,250
Ares Communications Ltd	628,125	29,624,220
Computer Source	3,863,794	3,863,794
Superior Electronics Pvt. Ltd	33,200	42,955
Appnometry Ltd	1,708,575	-
JAMS Associates	2,300,000	6,900,000
Tazmeen Traders	1,883,872	-
Uptime Technologies	24,000	-
Express Systems Ltd	500,000	-
MegaNet ICT Ltd	3,488,100	2,359,500
AJR Consultants (BD) Ltd	-	2,875,000
Profile Tech	910,000	-
Bangladesh General Insurance Co. Ltd	105,156	-
	39,072,763	**56,017,013**

10.01.02 Advance income tax (AIT)

Opening balance		177,250,401	135,589,211
Addition during the year	10.1.2.1	22,198,849	41,661,190
		199,449,250	**177,250,401**

		30 June 2018 Taka	30 June 2017 Taka
10.1.2.1	**Addition of advance income tax (AIT)**		
	Advance income tax - Revenue	20,050,575	38,921,283
	Advance income tax - Import	761,247	1,723,974
	Advance income tax - Vehicle	159,500	180,000
	Advance income tax - FDR & SND A/C	1,227,527	835,933
		22,198,849	**41,661,190**
10.01.03	**VAT deduction at source**		
	Opening balance	6,732,618	5,909,026
	Addition during the year	742,173	823,592
		7,474,791	6,732,618
10.02	**Advance against office rent**		
	Tejgaon office	4,505,556	6,197,556
	Chittagong office	20,000	68,000
	Uttara office - DR centre	1,821,600	2,167,200
	Tejgaon warehouse	711,900	1,118,700
	Essential Agencies (Pvt.) Ltd	566,681	966,677
		7,625,737	**10,518,133**
10.03	**Bank guarantee margin**		
	Bank guarantee	734,548	606,506
	Earnest money	7,137,100	6,945,100
	Advance performance guarantee	285,000	75,000
	Performance guarantee	1,637,795	2,008,511
		9,794,443	**9,635,117**
10.04	**Security deposit (Non interest bearing)**		
	Uttara office - DR centre	144,000	144,000
	DESCO	11,000	11,000
	Security Deposit - RAJUK	600,000	600,000
	Essential Agencies (Pvt.) Ltd	2,000,000	2,000,000
	Teletalk Bangladesh Ltd	100,000	100,000
	Central Depository Bangladesh Ltd (CDBL)	500,000	500,000
	Dhaka Bank Ltd (Lease)	94,641	94,641
	Islami Bank Bangladesh Ltd	50,000	50,000
	Shahjalal Islami Bank Ltd	40,000	-
		3,539,641	**3,499,641**
10.05	**Fixed deposit receipt (FDR)**		
	FDR at Trust Bank Ltd (FDR A/C : 21516)	162,160,748	154,446,060
	FDR at Trust Bank Ltd (FDR A/C : 30060)	67,163,936	63,982,603
	FDR at Trust Bank Ltd (FDR A/C : 31694)	628,819	598,355
		229,953,503	**219,027,018**

The company has reserved as fixed deposit for an amount to Tk. 162.16 million & Tk. 67.16 million through Trust Bank Ltd. Another FDR of Tk. 0.629 million has lien to Banglalink Digital Communications Ltd for security deposit against i-top up service through Q-cash network.

10.06	**Prepayments**		
	Insurance premium on assets	1,100,716	1,186,243
	Google mail server software license fee	318,029	296,082
	Oracle software license renewal fee	875,000	918,750
	Group life insurance premium	-	1,197,873
	Commercial license charge (JIRA)	408,470	232,843
	VMware license fee	2,104,667	-
		4,806,882	**3,831,791**

			30 June 2018 Taka	30 June 2017 Taka
10.07	**Deferred expenses**			
	IT maintenance & rollout		9,069,555	6,735,673
	IT support		8,442,555	14,765,192
	Software development		8,831,153	13,536,212
	Integration with middleware software		9,102,615	16,679,028
	Business process outsourcing		11,246,813	8,964,794
	Bonus		8,088,579	6,763,500
	KIOSK modification cost		2,171,420	2,171,420
	E-Shop implementation		-	3,298,282
	Software customization		-	3,298,282
			56,952,690	**76,212,383**
11.00	**Cash and cash equivalents**			
	Cash in hand		45,825	213,840
	Cash at bank	11.01	44,873,988	152,993,836
			44,919,813	**153,207,676**
11.01	**Cash at bank**			
	NRB Commercial Bank Ltd (CD A/C: 010133300000685)		287,381	1,696,179
	Bank Asia Ltd (CD A/C : 00333006503)		2,932,514	361,029
	BRAC Bank Ltd (CD A/C : 1501201589532001)		42,395	12,140,240
	City Bank Ltd (CD A/C : 1102041731001)		2,105,800	47,394,509
	Dutch Bangla Bank Ltd (CD A/C : 1161100002212)		94,306	5,354,746
	Eastern Bank Ltd (CD A/C : 1011060011178)		3,889,596	15,299,034
	Eastern Bank Ltd (STD A/C : 1011360210568)		32,411	20,677
	Jamuna Bank Ltd (CD A/C : 00100210008907)		9,128,780	45,190,694
	Janata Bank Ltd (CD A/C : 0888001013819)		867,724	189,534
	National Bank Ltd (CD A/C : 099933143418)		425,919	494,419
	NCC Bank Ltd (CD AC : 00500210003280)		12,626	13,926
	Pubali Bank Ltd (CD A/C : 3677901016811)		13,098	13,558
	Shahjalal Islami Bank Ltd (CD A/C : 400511100000281)		32,889	8,877
	Sonali Bank Ltd (CD A/C : 0002633130481)		112,990	212,677
	One Bank Ltd (CD A/C : 0121020003189)		15,929	17,079
	Trust Bank Ltd (STD A/C : 0320000978)		3,327,767	14,501,862
	United Commercial Bank Ltd (CD A/C : 0951101000004308)		415,721	410,051
	Standard Chartered Bank (CD A/C : 01118353501)		16,406,398	1,400,960
	EXIM Bank Ltd (CD A/C : 03911100100275)		784,455	875,181
	IFIC Bank Ltd, (CD A/C : 1203522605001)		1,011,323	6,982,088
	Mutual Trust Bank Ltd (CD A/C : 00460210004114)		34,012	10,497
	Midland Bank Ltd (CD A/C : 00021050002804)		536,965	85,214
	City Bank Ltd (CD A/C : 1101002047001)		-	2,752
	Farmers Bank Ltd (CD A/C : 0111100082151)		8,199	9,349
	Dhaka Bank Ltd (CD A/C : 02181000005561)		51,026	103,578
	Jamuna Bank Ltd (SND A/C : 00100320001009)		1,022,605	5,747
	Trust Bank Ltd (CD A/C : 0210001210)		194,802	-
	ICB Islami Bank Ltd (CD A/C : 1002400011916)		893,290	-
	Shimanto Bank Ltd (CD A/C : 1001241000525)		4,425	-
	Trust Bank Ltd (IPO A/C)	11.01.01	188,642	199,379
			44,873,988	152,993,836

11.01.01	Trust Bank Ltd (IPO A/C)			
		Currency	Taka	Taka
	Trust Bank Ltd, SND A/C	BDT	72,892	73,550
	Trust Bank Ltd, FC A/C	USD	110,897	120,976
	Trust Bank Ltd, FC A/C	EURO	4,853	4,853
			188,642	199,379

		30 June 2018 Taka	30 June 2017 Taka
12.00	**Share capitalThis is made up as follows:**		
	Authorized:		
	175,000,000 Ordinary Shares of Tk.10/= each	1,750,000,000	1,750,000,000
	25,000,000 Preference Shares of Tk.10/= each	250,000,000	250,000,000
		2,000,000,000	2,000,000,000
	Issued, subscribed and paid up:		
	Opening balance	1,000,500,000	870,000,000
	Stock dividend (2016 - 2017)*	40,020,000	130,500,000
		1,040,520,000	1,000,500,000

* The Board of Directors of the Company had been recommended 6% (BDT 0.60 per share) Cash & 4% Stock (Bonus) dividend for the year ended 30 June 2017 at the Board meeting held on 11 October, 2017. Subsequently, the dividend had been approved by the shareholders at the Annual General Meeting of the Company held on 04 December 2017 and disbursed to the Shareholders accordingly.

The position of shareholders as on 30 June 2018 is as follows:

	30 June 2018			30June2017
Classification of investors	**No. of Shareholders**	**No. of Shares**	**Ownership (%)**	**Ownership (%)**
Sponsors/Promoters and Directors	4	53,152,641	51.09%	51.09%
Institute	277	26,085,478	25.07%	21.46%
General Public	4082	24,813,881	23.84%	27.45%
	4363	**104,052,000**	**100%**	**100%**

Distribution schedule of each class of equity security setting out the number of holders and percentage as on 30 June, 2018.

Shareholding range

	No. of Shareholders	No. of Shares	Ownership (%)
1-100	652	23,658	0.02%
101-500	993	250,757	0.24%
501-1000	833	562,336	0.54%
1001-5000	1269	2,741,185	2.64%
5001-10000	266	1,902,682	1.83%
10001-20000	139	1,842,580	1.77%
20001-above	211	96,728,802	92.96%
	4363	104,052,000	100%

13.00	**Share premium**			
	Share premium from issue of 17,929,900 shares in 2011		294,578,430	294,578,430
			294,578,430	**294,578,430**
14.00	**Retained earnings**			
	This is arrived as follows:			
	Opening balance		101,917,927	118,044,308
	Stock dividend (2016 - 2017)*		(40,020,000)	(130,500,000)
	Cash dividend (2016 - 2017)*		(60,030,000)	-
	Prior year adjustment	14.01	(222,130)	(641,301)
	Transfer from revaluation reserve	Sch - A	10,422,643	11,268,595
	Profit/(Loss) during the year		118,124,599	103,746,325
			130,193,039	**101,917,927**

			30 June 2018 Taka	30 June 2017 Taka
14.01	**Prior year adjustment**			
	Over provision against UPS		42,917	-
	Under provision against LC		(265,045)	-
	Adjustment of profit from sale of vehicle		(2)	
	Advance Trade VAT of LC#10332 wrongly charged to LC#10052		-	(624,060)
	Over provision of ATM spare parts expenses in 2015-2016		-	53,100
	Under provision against LC#10378 of ATM software		-	(49,221)
	Over provision of data connectivity, radio link & short code allocation		-	67,500
	Under provision against LC#10003 of ATM software		-	(88,620)
			(222,130)	**(641,301)**
15.00	**Revaluation reserve**			
	Opening balance		226,187,806	237,456,401
	Addition during the year		-	-
			226,187,806	237,456,401
	Less: Transfer to retained earnings	**Sch - A**	10,422,643	11,268,595
			215,765,163	**226,187,806**

Revaluation reserve Tk. 10,422,643 (difference between depreciation based on the revalued carrying amount of the assets and depreciation based on the assets' original cost) had been transferred directly to retained earnings.

16.00	**Deferred tax liability**			
	Opening balance		77,235,110	66,612,325
	Add: Current year provision		9,648,999	10,622,785
			86,884,109	**77,235,110**
17.00	**Lease finance, net of current portion**			
	Dhaka Bank Ltd		2,337,436	3,128,002
	Jamuna Bank Ltd		2,316,234	-
			4,653,670	**3,128,002**

The company has availed lease finance amounting to Tk. 2,976,000/= from Jamuna Bank Limited, Gulshan branch against two no's Toyota Axio car.

18.00	**ITC-QOOL ATM project**			
	QOOL Bangladesh Ltd		20,475,000	22,575,000
			20,475,000	**22,575,000**
19.00	**Trade payables**			
	Payable against supplier	19.01	33,589,253	36,354,668
	Payable for others	19.02	4,876,588	4,573,689
			38,465,841	40,928,357
19.01	**Payable against supplier**			
	Link 3 Technologies Ltd		345,000	172,500
	Metronet (BD) Ltd		79,350	79,350
	Telnet Communications Ltd		490,608	196,242
	Compass Plus		7,773,152	7,773,152
	ECSAS Computer & Equipment		7,230,423	13,917,635
	M/S Moral Enterprise		140,000	-
	Nawabpur Electric Works		191,627	203,200
	BDCOM Online Ltd		90,045	152,755
	Thakral Information Systems Pvt Ltd		3,983,012	228,100
	Natty Com Pvt Ltd		2,160,768	745,097
	Royal Technology & Electronics		1,509,714	310,000
	Superior Electronics (Pvt) Ltd		-	687,592
	Integrated Security Services Ltd		2,281,510	3,435,395
	NRB Commercial Bank Ltd (VISA connectivity)		1,377,750	1,348,875

		30 June 2018 Taka	30 June 2017 Taka
	Erdster Engineering Solutions	230,975	-
	Trustwave Pte Ltd	-	5,145,000
	AR Computers	359,860	1,148,380
	Smart Technologies (BD) Ltd	257,200	54,000
	Planet Group	-	230,000
	Property Care Services Bangladesh (Pvt) Ltd	457,895	527,395
	Nipun Aluminium Design	283,162	-
	ARMS Bangladesh Ltd	117,840	-
	Amber IT Ltd	339,594	-
	Flora Ltd	267,360	-
	Omega Exim Ltd	1,155,075	-
	Software Shop Ltd	2,467,333	-
		33,589,253	**36,354,668**
19.02	**Payable for others**		
	TDS payable	569,550	203,966
	VAT payable	4,307,038	4,369,723
		4,876,588	**4,573,689**
20.00	**Bank over draft**		
	Trust Bank Ltd (OD A/C)	360,702,182	356,964,739
	Trust Bank Ltd (LTR A/C)	39,788,789	117,247,303
	Trust Bank Ltd (Time Loan)	20,780,019	13,789,879
	Jamuna Bank Ltd (LTR A/C)	28,549,582	-
		449,820,572	**488,001,921**

21.00	**IPO subscription refund**	Currency	A/C No.	30 June 2018 Taka	30 June 2017 Taka
	Trust Bank Ltd, FC A/C	USD	0017-5802000024	110,897	120,976
	Trust Bank Ltd, FC A/C	EURO	0017-5804000020	4,853	4,853
				115,750	125,829

The balance amount of the IPO FC account is the refundable fund of IPO subscribers, which will brefunded to the respective applicants accordingly.

22.00	**Payable for expenses**			
	Audit fee payable		380,000	429,500
	Legal & professional expenses payable		300,000	-
	Director's remuneration payable		470,000	-
	Salaries payable		15,214,738	-
	VISA 3D secure security payable		-	526,575
	Provision for ATM and POS		31,542,188	54,785,539
			47,906,926	**55,741,614**
23.00	**Other liabilities**			
	Unearned revenue	23.01	110,789,105	185,974,234
	Provision for WPPF & WF	23.02	7,060,741	6,237,220
	Dividend payable	23.03	775,415	2,248
			118,625,261	**192,213,702**

			30 June 2018 Taka	30 June 2017 Taka
23.01	**Unearned revenue**			
	Unearned revenue against ATM		1,295,000	1,876,429
	Unearned revenue against POS		40,885,715	-
	Unearned service revenue		2,359,500	2,359,500
	Unearned switching software revenue		19,846,890	54,666,105
	Unearned revenue against biometric device		252,000	80,922,200
	Unearned revenue against NFC chip card		39,150,000	39,150,000
	Unearned revenue against POS roll		7,000,000	7,000,000
			110,789,105	**185,974,234**
23.02	**Provision for WPPF & WF**			
	Opening balance		6,237,220	4,272,967
	Add: Current year provision		7,060,741	6,237,220
			13,297,961	10,510,187
	Less: Paid during the year		(6,237,220)	(4,272,967)
			7,060,741	**6,237,220**
23.03	**Dividend payable**			
	Unclaimed dividend*		2,245	2,248
	Unclaimed Cash dividend (2016 - 2017)*		773,170	-
			775,415	**2,248**

* The Company has made payment fractional dividend (from stock dividend) amount and cash dividend to the respective shareholders' individual Bank A/C through BEFTN, but the mentioned dividendamounts has returned. Though the Company has issued cheques/dividend warrants to the recipients, which were not presented before the related banks till 30 June 2018. These amounts are deposited in a bank account and are payable on demand.

24.00	**Current portion of long term loan**			
	Jamuna Bank Ltd - Term loan		11,087,441	-
	Trust Bank Ltd - Term loan		-	7,396,988
	Dhaka Bank Ltd - Lease finance		801,445	724,305
	Jamuna Bank Ltd - Lease finance		628,877	-
			12,517,763	**8,121,293**
25.00	**Provision for income tax**			
	Opening balance		21,605,276	11,718,213
	Add: Current year provision		13,441,222	10,375,285
			35,046,498	22,093,498
	Less: Income tax paid		(120,174)	(488,222)
			34,926,324	**21,605,276**

The company has computed its current tax liability in accordance with the provision of applicable section.

26.00	**Revenue**			
	Q-cash transaction processing charge	26.01	308,582,558	255,262,120
	Service & maintenance charge	26.02	290,265,394	191,695,020
	Sales revenue*	26.03	203,744,116	701,484,428
			802,592,068	1,148,441,568

*Note: During the year 2017-2018 the revenue decreased in comparison to 2016-2017 due to drop in Sales Revenue, incline of USD/Taka conversion rate as well as increasing price by the foreign principals, thereby increase in the landed cost of the imported items such as ATM, POS & others. Resulting sales price/offer price was not conducive to us, based on projected cost of sales. Beside this, our clientele (Banks & others) declined to review offered price based on changed market situation despite our repeated explanation. The Company therefore were unable to take the risk of loss by execution of such business during this period. Additionally, for the last two years, the Banks have also reduced the speed of new ATM rollout due to shifting of technology in Banking sector from ATM to Cash Recyclers, and also Banks are going through financial crunch overall. So sales revenue has deteriorated during the year.

		2017-2018 Taka	2016-2017 Taka
26.01	**Q-cash transaction processing charge**		
	ATM software support & maintenance	60,067,225	58,504,147
	ATM currency configuration software	-	228,485
	Bangladesh post office project	-	382,000
	E-traffic prosecution & fine payment system	1,510,500	-
	Development of e-challan management system	1,769,847	-
	Development of NID enabled payment system	4,508,572	-
	Q-cash joining & interface establishment	-	1,500,000
	NPS software support & maintenance	-	468,153
		67,856,144	**61,082,785**
	Card charge		
	Card annual charge*	56,149,831	55,911,279
	Card renewal charge*	75,422,965	54,975,049
		131,572,796	**110,886,328**
	Note: Card customization charge		
	Connectivity charge		
	Link connectivity charge	255,000	315,000
	Host connectivity charge	-	36,000
	VISA connectivity charge	17,199,923	15,622,060
		17,454,923	**15,973,060**
	Transaction charge		
	ATM transaction charge	40,209,573	33,687,430
	Q pay transaction charge	1,147,712	1,176,454
	POS transaction charge	36,236,249	21,628,088
	SMS management charge	1,001,850	918,000
	SMS service charge	9,958,102	7,127,344
	Card cheque transaction charge	1,029,900	735,710
	Fund transfer transaction charge	101,160	80,550
	Insurance premium transaction charge	2,014,149	1,521,358
	Data SIM transaction	-	445,013
		91,698,695	**67,319,947**
		308,582,558	**255,262,120**
26.02	**Service & maintenance charge**		
	ATM servicing & maintenance charge	139,652,788	115,027,254
	KIOSK servicing & maintenance charge	7,461,571	7,711,736
	POS servicing & maintenance charge	10,660,250	12,749,623
	ATM carrying & labour charge	420,222	120,210
	Tranzware retail re-installation charge	604,500	435,500
	ATM booth construction charge	4,250,000	-
	ATM booth servicing & maintenance charge	7,422,586	11,836,086
	Switching software service charge	109,411,422	34,944,129
	Windows migration charge	947,177	1,756,571
	UPS servicing & maintenance charge	7,127,379	1,960,312
	KIOSK modification charge	-	3,450,000
	VbV certified ACS service charge	-	225,000
	PCI DSS security compliance charge	187,329	300,000
	Biometric finger vein service charge	496,600	-
	E-statement implementation charge	-	93,590
	NCR ATM switching software service charge	770,400	372,000
	Income tax fair charge	853,170	713,009
		290,265,394	**191,695,020**

			2017- 2018 Taka	2016-2017 Taka
26.03	**Sales revenue**			
	Sales of ATM		83,020,002	174,979,705
	Sales of POS		16,413,619	425,222,819
	Sales of Biometric device		95,272,399	65,455,000
	Sales of anti-skimming device		9,038,096	35,826,904
			203,744,116	**701,484,428**
27.00	**Cost of services & sales**			
	Cost of services	27.01	321,581,362	279,876,451
	Cost of sales	27.02	121,198,305	514,571,688
			442,779,667	**794,448,139**
27.01	**Cost of services**			
	Salary & allowance		131,580,937	115,597,408
	Computer components expenses		436,175	-
	ATM carrying & labour charge		3,476,550	5,001,000
	ATM link connectivity charge		3,838,535	3,829,834
	ATM servicing & maintenance		8,701,546	4,403,248
	Verisign secure site pro with EV		119,653	508,455
	Windows migration charge		2,490,732	-
	Card printer repairs & maintenance		1,613,080	912,447
	KIOSK servicing & maintenance		952,547	1,063,750
	KIOSK modification cost		-	2,171,419
	Link installation charge		-	118,500
	Mobile Van ATM servicing & maintenance		-	9,621
	Networking materials cost		50,000	125,519
	POS servicing & maintenance expenses		473,562	199,453
	Data SIM bill expenses		2,971,297	-
	Post office project expenses		296,480	4,632,173
	Ribbon for card printer		2,856,290	2,915,319
	SMS service charge		6,592,664	1,370,443
	Call center service charge		204,296	102,149
	ATM spare parts		4,885,078	2,740,800
	VISA connectivity expenses		5,951,463	5,604,933
	Short code allocation fee		124,200	249,550
	MFS customization & support fee		3,211,520	3,210,240
	Online UPS servicing & maintenance charge		1,463,205	4,483,867
	Grounding/Earthing service charge		482,948	367,500
	ATM currency configuration software expenses		190,127	228,200
	Servicing & maintenance expenses for data center		340,425	332,200
	Data connectivity & radio link charge		239,220	260,325
	Interface development/establishment service charge		-	7,106,000
	VISA card expenses		1,785,000	1,360,000
	VISA 3DS security module		884,972	564,187
	Service interruption charge		1,053,247	206,390
	Switching software customization charge		78,375	627,000
	Commercial license charge for JIRA		804,708	697,669
	Q Pay settlement charge		199,284	195,560
	Switching & CMS architectural expenses		-	689,170
	Finger vein spare parts		76,210	94,700
	LINUX OS license fee		-	780,001
	Biometric finger vein service charge		-	7,600
	License fee		-	84,645
	Insurance premium transaction expenses		1,588,927	1,051,033
	Terminal security device		-	3,537,550
	Software development expenses		282,150	104,500

			2017- 2018 Taka	2016-2017 Taka
	Software customization expenses		2,612,500	501,600
	Development of e-challan management system		522,500	-
	EMV & NFC configuration expenses		3,135,000	-
	EMV & NFC software certification expenses		6,270,000	-
	VISA bureau card production charge		1,674,000	-
	VMware license fee		191,333	-
	Courier bill		1,449,788	-
	ATM booth construction expenses		3,506,055	-
(Cont…)	TSS service charge		3,422,880	14,182,758
(Cont…)	ATM booth expenses	27.01.01	4,376,029	14,125,009
	POS implementation project for BPO	27.01.02	35,496,398	9,028,800
	Finger vein deployment project for postal e-shop	27.01.03	13,911,564	6,531,250
	PCI DSS security compliance expenses	27.01.04	1,146,515	5,715,070
	Depreciation expenses		29,767,327	31,400,235
	Amortization expenses		23,804,070	20,847,371
			321,581,362	**279,876,451**
27.01.01	**ATM booth expenses**			
	Security guard salary		1,449,000	9,418,500
	Servicing & maintenance expenses		2,927,029	3,243,509
	Middleware software support & reconstruction		-	1,463,000
			4,376,029	**14,125,009**
27.01.02	**POS implementation project for BPO**			
	IT maintenance & rollout expenses		1,741,618	1,410,750
	IT support expenses		9,771,137	2,288,550
	Software development expenses		9,721,059	877,800
	Integration with middleware software expenses		11,946,603	877,800
	E-shop implementation expenses		-	1,692,900
	Software customization expenses		-	1,128,600
	Business process outsourcing expenses		2,315,981	752,400
			35,496,398	**9,028,800**
27.01.03	**Finger vein deployment project for postal e-shop**			
	IT maintenance & rollout expenses		2,194,500	-
	IT support expenses		2,194,500	1,959,375
	Software development		-	1,959,375
	Integration with middleware software		-	2,612,500
	Business process outsourcing expenses		2,926,000	-
	E-shop implementation expenses		3,298,282	-
	Software customization expenses		3,298,282	-
			13,911,564	**6,531,250**
27.01.04	**PCI DSS security compliance expenses**			
	Managed security services		-	5,145,000
	Web application firewall		700,000	-
	PRO individual developer software license		-	41,000
	PCI PIN security module		446,515	529,070
			1,146,515	**5,715,070**
27.02	**Cost of sales**			
	ATM		71,415,060	133,630,228
	Verifone POS		5,592,327	7,726,047
	SAND POS		8,596,225	332,613,661
	Biometric device		27,576,645	14,517,472
	Anti-skimming device		8,018,048	26,084,280
			121,198,305	**514,571,688**

			2017-2018 Taka	2016-2017 Taka
28.00	**General & administrative expenses**			
	Salary & allowance		36,656,858	33,937,685
	Office rent		25,699,558	25,049,012
	Office maintenance		2,218,232	2,725,814
	Utilities		7,628,242	7,008,397
	Insurance premium		211,359	128,236
	Insurance premium on assets		1,286,308	1,176,534
	Group life insurance premium		1,478,576	2,353,378
	Gas, fuel & lubricants - Vehicle		3,571,459	3,767,058
	Meeting attendance fee	28.01	54,000	48,000
	Car reimbursement expenses		1,340,820	-
	Conveyance expenses		1,415,122	6,099,507
	Entertainment expenses		3,869,333	3,227,147
	Entertainment for foreign guest		845,765	1,051,157
	Postage & courier		128,059	95,536
	Printing & stationery		1,812,504	2,191,346
	Training expenses		690,196	3,000
	Eid holiday allowance		906,800	796,000
	Internship allowance		16,833	-
	Security guard salary		3,448,933	3,053,268
	Computer spare parts		93,368	328,776
	Internet bill		664,298	770,219
	Legal & professional expenses		690,897	1,147,046
	Mobile bill		6,091,800	4,879,062
	Newspaper bill		47,148	43,184
	Service charge		1,622,715	1,429,540
	Telephone bill		641,253	880,190
	Vehicle running expenses		1,478,360	2,527,340
	Website development expenses		-	7,000
	Festival expenses		425,000	317,000
	Books & periodicals		450	2,330
	Google mail server software license fee		975,506	853,422
	Oracle software license renewal fee		1,543,750	1,575,000
	Antivirus software license fee		334,999	-
	Advertisement expenses		432,724	473,646
	Retirement allowance		-	100,000
	AGM expenses		685,286	525,322
	Bonus share distribution expenses		-	83,846
	Depreciation expenses		6,288,516	5,123,048
			115,295,027	**113,777,046**

28.01 Independent Directors have received the following meeting attendance fees during the year ended 30 June 2018:

Name	No. of Meeting	2017-2018 Taka	2016-2017 Taka
Md. Waliuzzaman, FCA	9	27,000	24,000
Md. Haqueful Shaikh	9	27,000	24,000
		54,000	**48,000**

			2017-2018 Taka	2016- 2017 Taka
29.00	**Selling & distribution expenses**			
	Salary & allowance		28,650,806	22,246,951
	Advertisement expenses		496,406	884,088
	Business promotional expenses		14,155,298	12,036,357
	Promotional expenses for BPO & banks		-	18,396,408
	Tender expenses		72,000	73,523
	Travelling & tour allowance (Overseas & local)		2,656,307	1,589,550
	Transportation expenses		853,152	27,890
	Plastic card (Promotional)		1,161,707	1,278,244
	Support & training expenses		166,071	-
	Card rollout & branding for SEQAEP project		-	4,088,204
			48,211,747	**60,621,215**
30.00	**Other operating expenses**			
	Audit fees		493,389	588,583
	Bank charge		192,415	110,148
	Bank commission		379,865	430,352
	Excise duty		370,800	291,250
	Consultancy fee		74,750	34,167
	Credit rating fee		75,001	75,001
	Domain registration charge		29,841	58,975
	Gift & donation expenses		760,923	771,149
	Medical expenses		153,347	2,801
	Miscellaneous expenses		9,810,333	5,982,002
	Registration & renewals		646,043	405,617
	Stamp, duty & fees		64,932	74,290
	Income tax fair expenses		186,754	183,145
	Bad debt expenses		-	189,593
	Signing ceremony expenses		-	5,500
	Renewal fees - DSE, CSE & CDBL		1,218,500	1,600,280
			14,456,893	**10,802,853**
31.00	**Non-operating income**			
	Other income		365,996	815,253
	Gain/(Loss) from sales of old vehicles		379,026	-
	Gain/(Loss) from disposal of Online UPS	31.01	(141,461)	-
			603,561	**815,253**
31.01	**Gain/(Loss) from disposal of Online UPS**			
	Cost of asset		13,650,000	-
	Less: Accumulated depreciation		(6,758,539)	-
	Written down value		6,891,461	-
	Insurance claim		6,750,000	-
			(141,461)	**-**

* UPS with written down value of Tk. 6,891,461/= has been damaged due to electrical short circuit by fire on December 06, 2017. A claim of Tk. 6,750,000/= were made to Bangladesh General Insurance Company Limited (BGIC) under policy no. BGIC/DZO/FP-0226/05/2017 against coverage/insured value of Tk. 8,714,665/= as on May 28, 2017.

32.00	**Finance costs**			
	Interest on long term loan		533,647	1,633,937
	Interest on short term loan		47,196,402	49,212,255
	Interest on lease		487,305	314,373
			48,217,354	**51,160,565**

		2017-2018 Taka	2016- 2017 Taka
33.00	**Finance income**		
	Trust Bank Ltd, FDR A/C NO - 21516	10,028,013	8,576,016
	Trust Bank Ltd, FDR A/C NO - 30060	3,899,586	3,594,901
	Trust Bank Ltd, FDR A/C NO - 31694	34,405	42,074
	Trust Bank Ltd, SND A/C NO - 01315	547	313,689
	Jamuna Bank Ltd, SND A/C NO - 01009	67,116	97
	Eastern Bank Ltd, SND A/C NO - 10568	700	2,025
	NRB Commercial Bank Ltd, CD A/C NO - 00685	10,253	5,810
		14,040,620	**12,534,612**
34.00	**Contribution to WPPF & WF**		
	Contribution to WPPF & WF for current year	7,060,741	6,237,220
		7,060,741	**6,237,220**
35.00	**Provision for income tax (Current)**		
	Provision for current year	13,441,222	10,375,285
		13,441,222	**10,375,285**
36.00	**Provision for income tax (Deferred)**		
	Provision for current year	9,648,999	10,622,785
		9,648,999	**10,622,785**

The provision for deferred income tax is raised due to taxable temporary differences for this year.

37.00	**Earnings Per Share (EPS)**		
	Net profit after tax	118,124,599	103,746,325
	Weighted average number of shares outstanding	104,052,000	100,050,000
		1.14	**1.04**
38.00	**Net Asset Value (NAV)**		
		30 June 2018 Taka	30 June 2017 Taka
	Share capital	1,040,520,000	1,000,500,000
	Share premium	294,578,430	294,578,430
	Retained earnings	130,193,039	101,917,927
	Revaluation reserve	215,765,163	226,187,806
	Total equity with revaluation reserve	1,681,056,632	1,623,184,163
	Weighted average number of shares outstanding	104,052,000	100,050,000
		16.16	**16.22**

39.00 Related party transaction

The company has entered transactions with other entities in normal course of business that fall within the definition of related party as per Bangladesh Accounting Standard: 24 "Related Party Disclosures". The related party transactions are as follows:

Name of the related parties	Transaction during the period	Relationship with the entity	Nature of transaction	Balance as at 30 June 2018	Balance as at 30 June 2017
	Taka			Taka	Taka
Trust Bank Ltd	38,935,500	Shareholder	Sale of equipment & service	17,227,637	28,447,582
National Bank Ltd	8,511,200	Shareholder	Sale of equipment & service	3,480,705	1,104,195
Mercantile Bank Ltd	30,844,176	Shareholder	Sale of equipment & service	10,033,959	10,608,111
QOOL Bangladesh Ltd	2,100,000	Shareholder	ITC-QOOL ATM project-Agrani Bank Ltd	20,475,000	22,575,000
Dr. Kazi Saifuddin Munir	7,440,000	Managing Director & Shareholder	Remuneration	470,000	-

Schedule - A

Statement of Revaluation Reserve on Property, Plant & Equipment and Intangible Assets as at 30 June 2018

Particulars	Cost/Revaluation				Depreciation					Net book value As at 30 June 2018
	As at 01 July 2017	Addition during the year	Sales/Disposal during the year	As at 30 June 2018	Rate	As at 01 July 2017	Charged duringtheyear	Sales/Disposal during the year	As at 30 June 2018	
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	Taka
Property, Plant & Equipment										
ATM machinery	69,237,574	-	-	69,237,574	15%	47,041,595	3,329,397	-	50,370,992	18,866,582
Card printer	7,334,892	-	-	7,334,892	15%	4,983,494	352,710	-	5,336,204	1,998,688
Plant & machinery	9,917,246	-	-	9,917,246	15%	6,738,005	476,886	-	7,214,891	2,702,355
POS terminal	13,199,873	-	-	13,199,873	15%	8,968,296	634,737	-	9,603,033	3,596,840
Sub total	99,689,585	-	-	99,689,585	--	67,731,390	4,793,730	-	72,525,120	27,164,465
Intangible Assets										
ATM software	6,242,650	-	-	6,242,650	2.5%	624,264	156,066	-	780,330	5,462,320
POS software	4,186,345	-	-	4,186,345	5%	837,267	209,317	-	1,046,584	3,139,761
Q cash retailer POS software	4,224,910	-	-	4,224,910	5%	844,984	211,246	-	1,056,230	3,168,680
Software development	65,710,823	-	-	65,710,823	2.5%	6,571,083	1,642,771	-	8,213,854	57,496,969
Switching software	136,380,534	-	-	136,380,534	2.5%	13,638,053	3,409,513	-	17,047,566	119,332,968
Sub total	216,745,262	-	-	216,745,262	--	22,515,651	5,628,913	-	28,144,564	188,600,698
Grand total	**316,434,847**	**-**	**-**	**316,434,847**	**--**	**90,247,041**	**10,422,643**	**-**	**100,669,684**	**215,765,163**

as at 30 June 2016

Particulars	Cost/Revaluation				Depreciation					Net book value As at 30 June 2017
	As at 01 July 2016	Addition during the year	Sales/Disposal during the year	As at 30 June 2017	Rate	As at 01 July 2016	Charged duringtheyear	Sales/Disposal during the year	As at 30 June 2017	
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	Taka
2016-2017	**316,434,847**	**-**	**-**	**316,434,847**	**--**	**78,978,446**	**11,268,595**	**-**	**90,247,041**	**226,187,806**

Snapshots

























ননীয় প্রতিমন্ত্রী মহোদয় প্রতিবন্ধী ব্যক্তিদের মাঝে নাগরপুরে পোস্ট ই-সেন্টার হতে
সামাজিক নিরাপত্তা বেষ্টনীর ভাতা বিতরণ করছেন











Information Technology Consultants Limited
Evergreen Plaza, 260/B, Tejgoan Industrial Aria, Dhaka-1208

PROXY FORM

I/We .....
Of.....being a member of Information Technology Consultants Ltd. and entitled to vote, hereby appoint Mr./Mrs./Miss.....
.....of as my/our proxy to attend and vote for me/us and on my/our behalf at the 18th Annual General Meeting (AGM) of the Company to be held on Thursday, December 06, 2018 at 10:30 a.m. at Raowa Convention Hall-2 (Anchor Hall), VIP Road, Mohakhali, Dhaka- 1206 or at any adjournment there of or at any ballot to be taken in consequence hereof.

Signature of Shareholder

Signature of proxy

Revenue Stamp 20.00

BO A/C No. | | | | | | | | | | | | | | | | |

1) This Form of Proxy, duly completed and signed must be deposited at least 48 hours before the meeting at the Company's registered office. Proxy is invalid if not signed and stamped as explained above.

2) Signature of the Shareholder must be in accordance with Specimen Signature recorded with the Company.

Information Technology Consultants Limited
Evergreen Plaza, 260/B, Tejgoan Industrial Aria, Dhaka-1208

ATTENDANCE SLIP

I do hereby record my/our attendance at the 18th Annual General Meeting (AGM) of the Company to be held on Thursday, December 06, 2018, at 10:30 a.m.at Raowa Convention Hall-2 (Anchor Hall), VIP Road, Mohakhali, Dhaka- 1206.

Name of the Member/Proxy _____

BO ID: | | | | | | | | | | | | | | | | |

Signature..... Date.....

N.B.: Shareholder attendance Meeting in person or by Proxy are requested to complete the attedance Slip and deposit same at the entrance of the meeting.

AMARSTOCK



Design by_ Ariful Islam

Information Technology Consultants Limited
Evergreen Plaza 260/B, Tejgaon I/A, Dhaka-1208
Phone : +88-02 9830310-13, Fax: (+88-02) 983-0309
E-mail : info@itcbd.com, Web : www.itcbd.com

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